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Do Multiculturalism Policies Erode the Welfare State?

Keith Banting and Will Kymlicka

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DO MULTICULTURALISM POLICIES ERODE THE WELFARE STATE?

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The past 30 years have witnessed a dramatic change in the way many Western democracies deal with issues of ethnocultural diversity. In the past, ethnocultural diversity was often seen as a threat to political stability, and hence as something to be discouraged by public policies. Immigrants, national minorities and indigenous peoples were all subject to a range of policies intended to either assimilate or marginalize them.

Today, however, many Western democracies have abandoned these earlier policies, and shifted towards a more accommodating approach to diversity. This is reflected, for example, in the widespread adoption of multiculturalism policies for immigrant groups, the acceptance of territorial autonomy and language rights for national minorities, and the recognition of land claims and self-government rights for indigenous peoples.

We will refer to all such policies as "multiculturalism policies" or MCPs. This term covers a very wide range of policies, and we will discuss some of the important differences between them later on. But what they all have in common is that they go beyond the protection of the basic civil and political rights guaranteed to all individuals in a liberal-democratic state, to also extend some level of public recognition and support for ethnocultural minorities to maintain and express their distinct identities and practices.

The adoption of MCPs has been (and remains) controversial. For the purposes of our paper, we can distinguish two broad types of critiques. The first is a philosophical critique, which argues that MCPs are inherently inconsistent with basic liberal-democratic principles. This philosophical debate dominated the literature on multiculturalism for many years, particularly in the 1980s and early 1990s. The debate is not over, but since the mid-1990s it has now been supplemented, and to some extent supplanted, by a new more empirical argument against MCPs: namely, that they make it more difficult to sustain a robust welfare state.

On this view, there is a trade-off in practice between a commitment to MCPs and a commitment to the welfare state (hereafter WS). Critics generally acknowledge that defenders of MCPs do not intend to weaken the WS. On the contrary, most defenders of MCPs are also strong defenders of the WS, and view both as flowing from the same underlying principle of justice. The conflict between MCPs and the WS, therefore, is not so much a matter of competing ideals or principles, but of unintended sociological dynamics. MCPs, critics worry, erode the interpersonal trust, social solidarity and political coalitions that sustain the WS.

These two complaints - the philosophical and empirical - often go together. People who view MCPs as rooted in an illiberal philosophy are also likely to assert that MCPs have a corrosive effect on the WS. But the two critiques are logically separate. There are some people who argue that MCPs are consistent with basic liberal-democratic values, yet who share the fear that they are

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1 For helpful comments and suggestions regarding our classification of multicultural policies and categorization of countries, we would like to thank James Anaya, Rainer Baubock, Meyer Burstein, Joseph Carens, Stephen Castles, Adrian Favell, Augie Fleras, Donald Forbes, Montserrat Guibernau; Duncan Ivison, Christian Joppke, Micheal Keating, Jacob Levy, Ruth Rubio, and Neus Torbisco. For help with our measures of the welfare state, we thank John Myles and Stuart Soroka. For assistance with data from the Luxembourg Income Study, we thank David Jesuit, Vince Mahler and Jonathan Schwabish, with special thanks to Vince Mahler for sharing his calculations of redistribution. Thanks are also due to Erich Hartmann for his research assistance, and to Sue Donaldson, for comments on an earlier draft.
eroding the WS (eg., Phillips 1999). Conversely, there are some authors who dispute the philosophical arguments for many MCPs, yet who deny that they negatively impact the WS (eg., Galston 2001).

In this paper, we focus on the empirical complaint. Our goal is to test whether MCPs have in fact eroded the WS in those Western countries that have adopted them. Since the complaint is an empirical one, our method is also an empirical one. Using cross-national data, we aim to test whether countries adopting robust MCPs have fared worse on various WS measures than those countries that have fewer or no MCPs. To our knowledge, no one has examined this empirical evidence before.

It is important to emphasize that our focus is on multiculturalism policies. The word "multicultural" is sometimes used in a purely sociological or demographic sense to refer to high levels of ethnic or racial diversity. A society is "multicultural" in this demographic sense if it contains sizeable ethnic or racial minorities, regardless of how the state responds to this diversity. Some people believe that multiculturalism in this demographic sense is by itself a threat to the WS. On this view, ethnic and racial diversity as such makes it more difficult to build or sustain a robust WS, whether or not the state actively recognizes or accommodates this diversity. Countries that are more racially homogenous, or that admit few immigrants, are said to have an easier time constructing a WS than countries with higher levels of demographic diversity.

There is an important literature on this topic, to which we will refer below. But this is not our main focus, nor is it the main focus of the critics of MCPs. On the contrary, some critics of MCPs are in favour of increasing the level of ethnic and racial diversity, through adopting a more open immigration policy. It is not the level of ethnic/racial diversity per se they are worried about, but rather government policies that officially recognize and accommodate this diversity.

Our question, then, is how different government policies towards diversity affect the evolution of the WS. More specifically, have countries that have adopted strong MCPs experienced a weakening of their WS compared to countries that have resisted such policies? For example, do countries with assimilationist policies towards immigrants fare better in terms of the WS than countries with MCPs? Similar questions arise for national minorities and indigenous peoples. Amongst the countries that contain such groups, do those countries that accept claims for minority/indigenous rights see a deterioration of their WS relative to countries that oppose such demands?

That is the question to which we hope to provide an initial answer in this paper. We begin, in section 1, by describing the empirical complaint against MCPs in more detail, to see why so many critics assume that MCPs harm the WS. We then proceed to test these claims. The first step is to clarify what we mean by MCPs (section 2). We then survey the existing literature on the topic, which unfortunately is rather sparse (section 3). So far as we can tell, no one to date has attempted to examine the relationship between MCPs and the WS in a systematic way. A reasonable starting point therefore is to ask whether there is any obvious association between the introduction of MCPs and the evolution of the WS. To lay the groundwork for this analysis, we construct a typology that classifies countries as "strong", "modest" or "weak" in terms of their level of MCPs towards immigrants, national minorities and indigenous peoples. We then set out our indicators of the strength of the welfare state (section 4), and examine whether "strongly-multicultural" countries have fared worse, in terms of various measures of change in the WS, than modestly or minimally-multicultural countries (section 5). As we shall see, the data suggest that there is no general correlation between adopting MCPs and change in the WS over the last two decades of the twentieth century. To provide a more nuanced view of the relationships involved, we then
supplement the statistical analysis with short case studies of two countries – Canada and Belgium – that have adopted MCPs to highlight the complexities in the linkages between them and the WS (section 6). We then pull the threads together and reflect on the implications of our analysis for future research and debate (section 7).

Section 1: The Empirical Complaint Against MCPs

Critics offer a variety of reasons why the adoption of MCPs could inadvertently erode the WS. We could summarize these reasons under three headings:

The crowding out effect
According to one line of argument, MCPs weaken pro-redistribution coalitions by diverting time, energy and money from redistribution to recognition. People who would otherwise be actively involved in fighting to enhance economic redistribution, or at least to protect the WS from right-wing retrenchment, are instead spending their time on issues of multiculturalism.

Todd Gitlin gives an example of this. He discusses how left-wing students at his university (UCLA) fought obsessively for what they deemed a more "inclusive" educational environment, through greater representation of minorities in the faculty and curricula. At the same time, however, they largely ignored huge budget cuts to the state educational system that were making it more difficult for minority students to even get to UCLA. As he puts it, "much of the popular energy and commitment it would have taken to fight for the preservation - let alone the improvement - of public education was channelled into acrimony amongst potential allies" (Gitlin 1995: 31). This "channelling" of energy is captured nicely in one of his chapter titles: "Marching on the English Department while the Right Took the White House" (Gitlin 1995: 126).

The corroding effect
Another line of argument suggests that MCPs weaken redistribution by eroding trust and solidarity amongst citizens, and hence eroding popular support for redistribution. MCPs are said to erode solidarity because they emphasize differences between citizens, rather than commonalities. Citizens have historically supported the WS, and been willing to make sacrifices to support their disadvantaged co-citizens, because they viewed these co-citizens as "one of us", bound together by a common identity and common sense of belonging. However, MCPs are said to corrode this overarching common identity. MCPs tell citizens that what divides them into separate ethnocultural groups is more important than what they have in common, and that co-citizens from other groups are therefore not really "one of us".

According to Wolfe and Klausen, for example, in the early days of the British welfare state in the 1940s and 1950s, "people believed they were paying the social welfare part of their taxes to

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2 In identifying these complaints, we have drawn in particular on the writings of a set of critics whose works have become widely-cited in the literature: Brian Barry (2001), Todd Gitlin (1995) and Alan Wolfe and Jyette Klausen (1997; 2000). When referring to “the critics”, we have these authors in mind, as well as the many commentators who have endorsed their arguments.

3 See also Barry’s complaint that MCPs involve “dissipating” energies that “might have gone into” redistributive politics (Barry 2001: 197).
people who were like themselves". But with the adoption of MCPs, and the resulting abandonment of the "long process of national homogenization", the outcome has been growing "tax resistance", for "if the ties that bind you to increasingly diverse fellow citizens are loosened, you are likely to be less inclined to share your resources with them" (Wolfe and Klausen 2000: 28).

For some critics, this corroding of solidarity by MCPs is almost a logical necessity. Wolfe and Klausen, for example, assert that "if groups within the nation state receive greater recognition, it must follow that conceptions of overarching national solidarity must receive less" (29, emphasis added). But other critics of MCPs offer a more nuanced explanation. According to one version, the problem with "greater recognition" of subgroups is, at least in part, that this recognition almost inevitably has a backward-looking remedial aspect to it. "Recognizing" a group, in the context of MCPs, often involves acknowledging its sense of historic grievance, and acknowledging that it has historically been stigmatized and excluded, and mistreated in a paternalistic and condescending way by the dominant society. Recognizing a group then involves including the story of the historic injustices it has suffered within the school curriculum, or within the media, or within the national narratives more generally. In short, MCPs nurture a "politics of grievance" that results in increased distrust between members of different groups, and makes it more difficult for cross-ethnic coalitions of the poor or disadvantaged to coalesce. Indeed, Gitlin argues that MCPs encourage a "go-it-alone mood" that views attempts at building winning coalitions as "as a sign of accommodation" (Gitlin 1995: 230-1).

Another version suggests that the corrosion of solidarity is most likely when MCPs involve some degree of institutional separateness. As Barry puts it, "a situation where groups live in parallel universes is not one well calculated to advance mutual understanding or encourage the cultivation of habits of co-operation or sentiments of trust" (Barry 2001: 88). On this basis, he distinguishes two conceptions of "multicultural education": the first involves ensuring that all children have a common curriculum that includes information about all the groups that coexist within the state; the second involves creating separate schools with separate curricula for distinct groups (Barry 2001: 237-8). The latter, he says, would be particularly corrosive of trust and solidarity.

So the corrosion argument suggests that MCPs undermine trust and solidarity, either intrinsically, and/or when they are linked to a politics of grievance, and/or when they are linked to institutional separateness.

The misdiagnosis effect
A third line of argument suggests that MCPs lead people to misdiagnose the problems that minorities face. It encourages people to think that the problems facing minority groups are rooted primarily in cultural "misrecognition", and hence to think that the solution lies in greater state recognition of ethnic identities and cultural practices. In reality, however, these “culturalist” solutions will be of little or no benefit, since the real problems lie elsewhere.

This argument comes in two different forms. One version claims that the focus on cultural difference has displaced attention to race, and thereby ignored the distinctive problems facing groups like African-Americans. Barry, for example, argues that “one of the most serious mistakes by multiculturalists is to misunderstand the plight of American blacks”. He goes on to quote Kwame Anthony Appiah’s observation that:

it is not black culture that the racist disdains, but blacks. There is no conflict of visions between black and white cultures that is the source of racial discord. No amount of
knowledge of the architectural achievements of Nubia or Kush guarantees respect for African-Americans...Culture is not the problem, and it is not the solution. (Appiah 1997: 36, quoted on Barry 2001: 306).

Since the problem of racism in the United States is not primarily one of cultural misrecognition, it cannot be resolved by making "Martin Luther King Day" a national holiday, or celebrating Kwanza in schools, or teaching about the accomplishments of pre-colonial African societies. According to critics, the problem here is not just that such changes are insufficient, but rather that they blind people to the real problem. The rhetoric of MCPs lumps all ethnic groups together, as equal victims of cultural misrecognition, while obscuring the distinctive problems faced by those racial groups which suffer the consequences of segregation, slavery, racism, and discrimination (cf. Favell 1998).

A second version of the misdiagnosis argument claims that the focus on ethnic or racial difference has displaced attention to class, and thereby made pan-ethnic alliances on class issues less likely. On this view, the real problem is economic marginalization, not cultural misrecognition, and the solution is not to adopt MCPs but rather to improve people’s standing in the labour market, through better access to jobs, education and training, and so on. The multiculturalist approach encourages people to think that what low-income Pakistani immigrants in Britain need most is to have their distinctive history, religion or dress given greater public status or accommodation, when in fact their real need is for improved access to decent housing, education and training and gainful employment – a need they share with the disadvantaged members of the larger society or other ethnic groups, and a need which can only be met through a pan-ethnic class alliance.

Both versions of the misdiagnosis argument claim that MCPs do not simply divert energy from more pressing issues of race and class (that is the “crowding out” effect), but that they distort people’s understanding of the causes of disadvantage, by denying or failing to acknowledge the reality of racism and class inequality. A Machiavellian version of this argument suggests that right-wing political and economic elites have in fact promoted MCPs precisely in order to obscure the reality of racism and economic marginalization. On this view, the tendency to misdiagnose the plight of African-Americans as one of cultural misrecognition is not an unintended by-product of MCPs, but rather was their intended purpose.

At first glance, all three of these critiques have some plausibility. Their plausibility is strengthened by the indisputable fact that the rise of MCPs has largely coincided with the period of retrenchment in many social programs. The question naturally arises whether there is some connection between these two trends. Perhaps the rise of MCPs has somehow played a role in supporting, or obscuring, the retreat of the WS. The crowding, corroding and misdiagnosing effects could all help to explain why the rise of MCPs might have intentionally or inadvertently contributed to the retrenchment of the WS. The plausibility of this concern has even led some defenders of MCPs to rethink their approach. Anne Phillips, for example, who ardently defended a strongly multiculturalist conception of democracy in her 1995 book, has recently said “I cannot avoid troubled thoughts about the way developments I otherwise support have contributed (however inadvertently) to a declining interest in economic equality” (Phillips 1999: 13).

However, there are also important reasons for questioning the suggested linkage between the rise of MCPs and retrenchment in many social programs. After all, the restructuring of the WS
occurred throughout the Western democracies, affecting countries that strongly resist MCPs, like France, as well as pro-MCP countries, like Canada. It is not at all clear that the presence or absence of MCPs had any bearing on whether or how the WS was restructured. Indeed, as we will discuss below, some pro-MCP countries resisted the retrenchment of the WS better than some anti-MCP countries. So the existence of a general link between MCPs and the WS is not self-evident.

And once we think about it, the three more specific critiques of MCP listed above are not self-evident either. Let's take them one by one:

**Crowding-out: the counter claim**

The claim that MCPs "crowd out" WS issues rests on the implicit assumption that there would have been a sizeable coalition of politically engaged citizens willing to act to defend the WS, were they not distracted by MCP issues. This is explicit in the Gitlin quote we cited earlier. Yet Gitlin himself concedes that this was not true. As he notes, the vast majority of students at UCLA, and indeed the vast majority of American citizens generally, had lost faith in their capacity to influence the structure of economic inequality. As he notes in explaining why students did not protest budget cuts to education:

> The national political scene is forbidding. The public at large has little confidence that problems can be solved by government actions. Even Americans unpersuaded by Ronald Reagan that `government is not the solution, government is the problem', lack the faith that anyone knows what to do about cities, jobs, education, or race relations. (Gitlin 1995: 159)

Similarly, Anne Phillips acknowledges that the main reason why issues of economic inequality have been occluded in Britain is that most people, including most on the left, have become "astonishingly fatalistic about economic inequalities":

> Everyone now knows that nationalized industries become stultified and inefficient, that initiatives to end poverty can end up condemning people to a poverty trap, that when public authorities set out to protect employees’ wages and conditions from the harsher realities of the market they often do this at the expense of good service provision. We have even discovered, to our dismay, that the free health and education that was the great achievement of the welfare state can end up redistributing wealth from the poor to the middle classes. With the best will in the world, programmes for redistributive justice often backfire. Since we can no longer pretend to confidence about what makes people economically equal, it is hardly surprising that so many have turned their attention elsewhere. (Phillips 1999: 11, 34)

In other words, the rise of MCPs did not lead people on the left to abandon issues of economic inequality. Many people had already abandoned issues of economic inequality out of a sense of hopelessness. On Gitlin's and Phillips's own analysis, the presence of MCPs made no difference to the left's passivity towards economic issues.\(^4\)

Barry too acknowledges that the left’s passivity on economic issues is due to “despair at the prospects of getting broad-based egalitarian policies adopted”, and that this despair pre-dated the

\(^4\) cf. Caputo 2001 for a similar analysis.
rise of MCPs, rather than being caused by MCPs (Barry 2001: 326). However, he worries that this economic fatalism will become a “self-fulfilling prophecy” if people’s energies are “dissipated” in struggles over MCPs (Barry 2001: 197). Perhaps, but one could also speculate that the emergence of MCPs may actually have helped to reinvigorate the left. It provided a context for the left to get involved in politics again, by providing an issue on which progressives felt it was possible to make a difference. Getting involved and making a difference helped revive confidence in the possibility of challenging economic inequalities. Indeed, this is what happened in Gitlin’s own story. Having successfully achieved various MCP reforms, the UCLA students who previously had been fatalistic about economic issues started to lobby regarding the budget cuts. Gitlin's official story is that MCPs drained the energy that would have otherwise gone into fighting economic inequality. His own anecdote, however, suggests that there was no energy to fight those battles, until the successful struggle for MCPs inspired confidence in tackling the economic issues.5

The "crowding out" argument is a common one that has been used historically by old leftists to condemn political mobilization around the environment, or gay rights, or animal rights. All of these were said to channel energy away from issues of economic inequality. This argument rests on the assumption that there is a fixed and static amount of time, energy and money that will be spent on political mobilization, such that any effort spent on one issue necessarily detracts from another. However, there is an alternate view about political mobilization that is not zero-sum. On this view, the real challenge is to get people involved in politics at all, on any issue - i.e., to believe that their activity can make a difference on any issue worth fighting about. Once they are involved, and have this sense of political efficacy, they are likely to support other progressive issues as well.

It is thus unclear how successful political mobilizations around new issues of justice affect older issues of justice. The former may crowd out the latter, as critics of MCPs fear; but they may also help to sustain a public culture in which issues of justice matter, to reinforce the belief that citizens have effective political agency, and to re-legitimate the state as an institution that is capable of achieving public interests. At any rate, the latter possibility is at least as plausible as the idea that MCPs crowd out issues of economic justice.

The corroding effect: the counter claim
The argument that MCPs corrode the inter-ethnic trust and solidarity needed to sustain the WS is also debatable. For one thing, it assumes that prior to the adoption of MCPs there were high levels of inter-ethnic trust and solidarity, which are slowly (or quickly) being eaten away. However, historically, Western states often adopted exclusionary and assimilationist policies precisely because there was little trust or solidarity across ethnic and racial lines. Dominant groups felt threatened by minorities, and/or superior to them, and/or simply indifferent to their well-being, and so attempted to assimilate, exclude, exploit or disempower them. This, in turn, led minorities to distrust the dominant group. In these situations, MCPs were not the original cause of this distrust or hostility, and in many cases the adoption of MCPs was a response to this pre-existing lack of trust/solidarity. By adopting MCPs, the state can be seen as trying both to encourage dominant groups not to fear or despise minorities, and also to encourage minorities to trust the larger society. By acknowledging the reality of historic injustices against minorities,

5 More generally, one could speculate whether the success of the politics of recognition has helped to inspire some of the protest around globalization.
the state acknowledges the existence of these feelings of prejudice and contempt against minorities, and affirms a public duty to fight against them and their consequences. Many defenders of MCPs argue that, by tackling these feelings, MCPs will actually help to strengthen the trust and solidarity needed for a strong WS.

Of course, there is no guarantee that MCPs will succeed in this regard. However, when reflecting on this question, it is important to keep the historical context in mind. For example, Barry’s main empirical evidence for the corrosion effect is the famous “robber’s cave” experiment conducted in 1961 in which “a party of 11-eleven year old children in a summer camp were divided into two competing groups, which produced in-group friendships and hostility toward the other group”, a result he describes as unsurprising. Indeed, the result is unsurprising, but it is not clear how it is analogous to the role of MCPs in countries where there has been a history of mistrust and antipathy between groups, embodied in (and reinforced by) official state policies that excluded, segregated, exploited and disempowered minority groups. In contexts where people have had no prior history of mistrust or mistreatment, arbitrarily dividing them into competing groups may well reduce pre-existing levels of trust and solidarity. But this is not the only or even the normal context in ethnic relations. Often, the more apt analogy would be to consider a summer camp that had historically excluded Asians and Arabs, and admitted African-Americans only as slaves or servants, and which was now considering how to deal with the resulting legacy of mistrust and antipathy. Or consider a school, or hospital, or police force, or public media or public museum, all of which have the same history. In these contexts, adoption of MCPs can be seen as reflecting a particular view about how best to overcome the pre-existing forms of inter-ethnic mistrust and antipathy, to reduce the majority’s antipathy towards minorities and the minority’s feelings of distrust in institutions and processes of the larger society. Defenders of MCPs would argue that without these efforts to contest both the causes and consequences of the history of exclusion, distrust and antipathy are likely to remain, even in institutions that no longer formally discriminate.

These hopes of strengthening trust and solidarity through MCPs may be misplaced, but it seems at least as plausible as the complaint that MCPs corrode trust and solidarity

The misdiagnosis effect: the counter claim

Finally, consider the misdiagnosis argument, which argues that adopting MCPs blinds people to the salience of non-cultural factors in explaining group disadvantage. The paradigm case of this, according to both Barry and Gitlin, is the misdiagnosis of the situation of African-Americans, for whom issues of race and class are much more salient than cultural recognition. This is just one example, they argue, of a more general tendency for MCPs to generate misdiagnoses of the causes of disadvantage or injustice, relevant to other groups as well.

They acknowledge that the relative salience of these various factors differs for different groups. In some cases, issues of class are comparatively insignificant. For example, Jews in North America, or Hong Kong immigrants, have higher-than-average levels of income and education, yet have faced difficulties regarding the accommodation of religious and cultural practices, stereotyping in the media, greater vulnerability to violence, and so on. Similarly, some national minorities, like the Québécois or Catalans, are as well off economically as the dominant society, yet feel their language and culture has been systematically marginalized in public institutions (such as the courts, civil service or national media) in relation to the dominant language and culture.

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So there are various dimensions on which ethnic groups can face injustice – including race, class and culture - and groups are often located at different places on these different dimensions. For example, a group may be privileged in terms of race yet disadvantaged in terms of class (eg., Portuguese in North America), or it may be privileged in terms of class and race but disadvantaged in terms of cultural recognition and accommodation (eg., Catalans), and so on.

The misdiagnosis argument, then, as we understand it, claims that the presence of MCPs leads people to ignore (or minimize) the salience of the race and class dimensions of inequality, and to exaggerate the salience of the cultural dimension. It leads people to assume that racial and class inequalities are either unimportant or derivative of cultural inequalities.

Why would MCPs lead people to believe this? One possible explanation is that people’s sense of justice is zero-sum: enhanced sensitivity to one form of injustice inevitably entails reduced sensitivity to other forms of injustice. On this view, people who are keenly sensitive to issues of racism or sexism, for example, are inevitably less sensitive to issues of class inequality or cultural accommodation, and vice versa. But is this true? Is it not possible that the different dimensions of our sense of justice are mutually reinforcing – i.e., that people who have the awareness and motivation to look out for one form of injustice are also likely to be more open to considerations of other types of injustice? Conversely, perhaps those people who have a stunted sense of justice regarding race, say, are also likely to have a stunted sense of justice regarding gender or class.

To be sure, there are circumstances where a fixation on one form of injustice can blind people to other forms. The paradigm case, historically, is Marxism, which was ideologically committed to the view that class inequality was the only “real” inequality, and that all other forms of inequality including sexism and racism were epiphenomenal, and would disappear with the abolition of classes. In this case, it was an explicit and foundational part of the Marxist ideology that one dimension of inequality had primacy over the others. Marxism systematically misdiagnosed a range of inequalities because it dogmatically assumed class was the primary inequality, without looking at the evidence in particular cases.

In order to avoid misdiagnosis, we need to avoid these sorts of dogmatic presumptions. Since the salience of different kinds of disadvantage differs between groups, and over time, it is important for people to be open-minded about this, and to be willing to consider the claims and the evidence as they are raised by various groups. The issue then becomes whether MCPs encourage or discourage this sort of open-minded approach to the salience of different forms of inequality. Does multiculturalism have a foundational ideological commitment to the primacy of cultural inequalities over other inequalities, comparable to the Marxist commitment to the primary of economic inequalities? Does it encourage people to assume that cultural inequalities are the real problem, without examining the evidence in particular cases? Or do MCPs instead make space for an open debate about their relative salience?

Defenders of MCPs would argue that multiculturalism, in both theory and practice, has helped to open up this debate. After all, multiculturalism emerged as part of the New Left’s rejection of the Marxist dogmatic assertion of the primacy of class. Multiculturalists were not suggesting that we should replace class inequality with cultural inequality as the mono-causal motor of history, but rather contesting the very idea of a mono-causal motor of history. It was contesting the idea that all inequalities can be reduced to one “real” inequality, and insisting instead that culture, race, class, and sex are all real loci of inequality, of varying salience, not reducible to each other.

This seems clear enough in the case of multiculturalist theorists. It is a central claim of most multiculturalist theorists that the relative salience of inequalities relating to race, class and culture
varies greatly across different groups in society. Paradoxically, this is particularly clear in the case Barry and Gitlin cite, of African-Americans. All of the major multicultural theorists who have written on African-Americans have emphasized that what distinguishes this case from that of some other minority groups in the United States or other Western democracies is precisely the overwhelming salience of race and class in comparison with cultural difference. None of the multiculturalist theorists asserts that the accommodation of cultural difference is the main problem facing African-Americans. Indeed, African-Americans are often discussed precisely to illustrate the point that there is no one model or formula for determining the relative salience of these different forms of injustice.

One might respond that even if theorists do not assert the primary of cultural inequalities over other dimensions of inequality, the actual implementation of MCPs encourages a kind of false consciousness amongst the members of minority groups, leading them to blame their fate on cultural misrecognition rather than other factors of race and class. But is it likely that the presence of MCPs blinds group members to the salience of race and class in their lives?8

To say that some groups face cultural inequalities that warrant remedying through MCPs is not to say that these are the only inequalities they face, or that they are the most important ones. Nor is it to assert that all groups face such inequalities. It simply says that cultural inequalities are one “real” form of injustice that we must be sensitive to, alongside others, when evaluating the situation of different groups, and that provide a legitimate basis for potential claims. The task of arriving at a correct diagnosis of the causes of a particular group’s disadvantage is not always an easy one. Even in the case of African-Americans, there is a long-standing and still-unresolved dispute about the relative significance of race and class (eg., Wilson 1980). Arriving at an informed judgement on these issues requires that we have a conceptual vocabulary to describe all of the different dimensions of inequality, and also political space in which to discuss them freely and evaluate their relative salience. One could argue that the theory and practice of multiculturalism is intended precisely to supplement and enrich our conceptual tools and political spaces for arriving at a more adequate diagnosis of the full range of injustices faced by different groups in our society.

In short, none of the arguments for the alleged harmful impact of MCPs on the WS are self-evident. They may seem to have some initial plausibility, but there are equally plausible arguments why MCPs would strengthen the WS. Many of these critiques blame MCPs for problems that in fact predate the adoption of MCPs (eg., inter-ethnic mistrust; fatalism about economic structures);

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8 Indeed, Barry himself says that most people (unlike the elites) are unaware of the presence of MCPs, and so presumably their self-understandings are unaffected by them (Barry 2001: 295). This raises a puzzle about who exactly is supposed to be making the misdiagnoses. Is it academic political theorists who write on multiculturalism, or policy-makers, or minority members themselves? Barry’s main focus is on the former, but even if it is true that a handful of academic political theorists misdiagnose the situation of various groups, how could this affect the broader decision-making processes regarding the WS? Barry himself claims that these academic theories are “esoteric” and are “virtually unknown to the wider public” (Barry 2001: 365-6, quoting Pascal Zachary). But if the broader public is blissfully unaware of both academic MC theories and actual MC policies, how then does the misdiagnosis argument work?
others assume political energies and moral sensitivities are zero-sum (i.e., that concern for cultural inequality inevitably reduces concern for other struggles). It should be clear, we hope, that this debate cannot be resolved by more armchair theorizing, or by trading anecdotes. We need to look more closely and systematically at the evidence.

Section 2. What are Multiculturalism Policies?

In order to test the empirical critique, we need first to come up with a more rigorous definition of MCPs. Unfortunately, there is no consensus in the literature on how to define the term “multicultural policies”. Many writers employ the term without ever defining it. Those who do make an effort to define it offer very different accounts of the necessary or sufficient conditions for a policy to qualify as a “multicultural” policy.

Given this lack of consensus, any account that we provide will inevitably be contestable, and to some extent stipulative. Some commentators will find our definition unduly narrow, others will find it unduly broad. We will discuss some of these objections as we go. However, for reasons we explain below, we think it unlikely that expanding or narrowing the definition of MCPs would change the basic empirical findings we present in section 5.

What then do we mean by MCPs? To begin with, as we noted earlier, we are focusing on the treatment of ethnocultural groups. This is already to narrow the field compared to some other accounts of MCPs. In some contexts, the term multiculturalism is used to cover a broader range of forms of diversity, including gender/sexual orientation/disability and so on. On this broader view, "multiculturalism" is virtually co-extensive with "the politics of recognition". For this paper, however, we are restricting the term multiculturalism to the context of ethnocultural diversity.

Even if we limit our focus to ethnocultural groups, there is still plenty of scope for disagreement about what counts as a “multicultural” policy towards such groups. In the account we give below, we have tried as much as possible to follow what we take to be the most common usages of the term, in both public as well as scholarly debate. However, we have also tried to ensure that our account reflects the issues raised by the critics. For this reason, we have excluded from our account of MCPs any policies that simply involve the non-discriminatory access to, or non-discriminatory enforcement of, the traditional civil and political rights of citizenship for the individual members of ethnic groups. In some countries, the rhetoric of multiculturalism is advanced to defend such non-discriminatory protection of the common rights of liberal-democratic citizenship. For example, some German politicians have invoked multicultural rhetoric to eliminate legal provisions that made it more difficult for ethnic Turks than for ethnic Germans to become citizens, and to extend the scope of anti-discrimination laws to cover the Turks. While described by some politicians as a form of “multiculturalism”, and defended as “recognizing” or “accommodating” Germany’s ethnic diversity, these are not the sorts of policies that our critics view as a threat to the WS. Respecting the common individual rights of citizenship is indeed one essential form of accommodating the members of minority groups, but the critics are not objecting to “recognizing” immigrants in this sense – i.e., as equal individual citizens. They are only concerned with policies that go beyond the protection of traditional individual rights of citizenship to provide some additional form of public recognition or support or accommodation of ethnic groups, identities and practices. Since this is the concern of critics, we will limit our definition of MCPs to such policies of public recognition, support and accommodation.
But what does it mean to provide public “recognition”, “support” or “accommodation” to ethnic groups? It is difficult to answer this question in the abstract, since different groups seek quite different forms of recognition, support and accommodation. To help identify these policies more precisely, it is useful to distinguish different categories of ethnic groups, and to see how Western states have accommodated them (or not). For the purposes of this paper, we will focus on three types of ethnic groups: immigrants, national minorities, and indigenous peoples. As we noted at the very start of this paper, there have been dramatic changes in how many Western states have treated these groups, and it is worthwhile to briefly sketch these changes.

**Immigrants**

The first trend concerns the treatment of immigrant groups. In the past, the most important countries of immigration (i.e., Australia, Canada, New Zealand and the US) had an assimilationist approach to immigration. Immigrants were encouraged and expected to assimilate to the pre-existing society, with the hope that over time they would become indistinguishable from native-born citizens in their speech, dress, recreation, and way of life generally. Any groups that were seen as incapable of this sort of cultural assimilation were prohibited from emigrating in the first place, or from becoming citizens. This was reflected in laws that excluded Africans and Asians from entering these countries of immigration for much of the twentieth-century, or from naturalizing.

Since the late 1960s, however, we have seen a dramatic change in this approach. There were two related changes: first, the adoption of race-neutral admissions criteria, so that immigrants to these countries are increasingly from non-European (and often non-Christian) societies; and second, the adoption of a more ‘multicultural’ conception of integration, one which expects that many immigrants will visibly and proudly express their ethnic identity, and which accepts an obligation on the part of public institutions (like the police, schools, media, museums, etc.) to accommodate these ethnic identities.

These two-fold changes have occurred, to varying degrees, in all of the traditional countries of immigration. All of them have shifted from discriminatory to race-neutral admissions and naturalization policies. And all of them have shifted from an assimilationist to a more multicultural conception of integration. Of course, there are important differences in how official or formal this shift to multiculturalism has been. In Canada, as in Australia and New Zealand, this shift was formally and officially marked by the declaration of a multicultural policy by the central government. But even in the United States, we see similar changes on the ground. The U.S. does not have an official policy of multiculturalism at the federal level, but if we look at lower levels of government, such as states or cities, we often find a broad range of multiculturalism policies. If we look at state-level policies regarding the education curriculum, for example, or city-level policies regarding policing or hospitals, we often find that they are indistinguishable from the way provinces and cities in Canada or Australia deal with issues of immigrant ethnocultural diversity. As in Canada, they have their own diversity programs and/or equity officers. As Nathan Glazer puts it, "we are all multiculturalists now" (Glazer 1997). Similarly, in Britain, while there is no nation-wide multiculturalism policy, many of the same basic ideas and principles are pursued through their race

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Experts in immigration and integration issues have repeatedly demolished the mythical contrast between the American "melting pot" and the Canadian "mosaic", yet the myth endures in the popular imagination.
relations policy. All of these countries have accepted the same two-fold change - adopting race-neutral admissions and naturalization policies, and imposing on public institutions a duty to accommodate immigrant ethnocultural diversity – although the degree and formal recognition of the latter change varies from country to country.

So the first trend is the shift from the exclusion and assimilation of immigrants to multicultural integration. This trend applies primarily to countries of immigration - i.e., countries which legally admit immigrants as permanent residents and future citizens. Amongst such countries, the main exception to this trend is France, which retains an assimilationist conception of French republican citizenship.

It is a different story, however, in those countries that do not legally admit immigrants, such as most countries of northern Europe. These countries may well contain large numbers of "foreigners", in the form of illegal economic migrants, asylum seekers or "guest-workers", but these groups are not admitted as part of an immigration policy. As it happens, even some of these countries have adopted aspects of a "multicultural" approach (e.g., Sweden and Netherlands). But in general, the trend from assimilation to multiculturalism is one that has taken place within countries of immigration.

What then are the specific MCPs that reflect this shift in approach? For the purposes of this paper, we will take the following nine policies as the most common or emblematic forms of immigrant MCPs:

1. constitutional, legislative or parliamentary affirmation of multiculturalism, at the central and/or regional and municipal levels;
2. the existence of a government ministry or secretariat or advisory board to consult with ethnic communities;
3. the adoption of multiculturalism in school curriculum;
4. the inclusion of ethnic representation/sensitivity in the mandate of public media or media licensing;
5. exemptions from dress-codes, Sunday-closing legislation etc. (either by statute or by court cases);
6. allowing dual citizenship;
7. the funding of ethnic group organizations or activities
8. the funding of bilingual education or mother-tongue instruction

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10 For the British model of multiculturalism through race relations, see Favell 2001.

11 As we noted earlier, we do not consider non-discriminatory access to citizenship as itself a form of MCP, in part because it would not be contested by our critics of MCPs. Naturalization policy only qualifies as an MCP where it has been modified in order to accommodate immigrant ethnic identities, most obviously by recognizing and accommodating the desire of immigrants to maintain a link with their country of origin through dual citizenship. As with many of these criteria, questions can be raised about the exact motive for these policy shifts. In some cases, dual citizenship has been allowed, not in order to accommodate the desires of immigrants within the country to maintain their previous nationality, but rather to enable emigrants or expatriates who live outside the country to retain a link with the country. But this is not the standard case in countries of immigration.
Some commentators have suggested including a tenth policy – namely, a policy of admitting large numbers of immigrants as permanent residents and future citizens. Some people view this sort of pro-immigration policy as itself a form of MCP, on the assumption that only a country that is willing to accommodate diversity would voluntarily admit immigrants as future citizens. However, the link between immigration policy and MCPs is complex. Many critics of MCPs are in fact defenders of more open borders: they are happy with the idea of greater ethnic and racial diversity in the population, but simply oppose any government recognition or accommodation of this diversity through MCPs. This is a very long-standing view amongst libertarians. Conversely, in some countries, support for MCPs is dependent on sharply limiting the number of new immigrants who can take advantage of these policies. This is often said to be the case in Britain. The quasi-multiculturalism policies adopted in the 1970s (under the race relations heading) were part of a package in which the government said to Britons: “we will close the door to new immigrants; but we expect you to accept and accommodate the immigrants from the Caribbean and South Asia who have already arrived”. Re-opening the door to immigration was seen as undermining the tenuous support for MCPs.\(^\text{13}\)

So for our purposes, we will limit immigrant MCPs to policies that concern the treatment of immigrant groups that already reside on the territory of the state, such as the nine policies listed above.

**Sizeable national minorities**

The second trend concerns the treatment of substate/minority nationalisms, such as the Québécois

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\(^\text{12}\) Including affirmative action as an MCP is potentially controversial, since it need not involve any recognition or affirmation of cultural difference. Indeed, some of its defenders have defended it precisely as a tool of assimilation. By "artificially" fostering integration into common institutions, it discourages the formation of distinct "ethnic economies" in which members of particular groups specialize in a particular economic niche and reproduce the cultural traditions associated with that niche. So this is a case of a policy that "recognizes" distinct groups, for the purposes of making various admission or employment decisions, but which need not be centrally concerned with "accommodating" ethnocultural diversity. However, in many cases, the adoption of affirmative action policies has gone hand-in-hand with a commitment to reform the institution to make it more accommodating of members of minority groups (eg., the adoption of multiculturalism in school curricula, or changes to the work schedule or work uniforms to accommodate minority groups). Affirmative action to recruit more teachers or police officers from minority communities is also often defended as a way of making these institutions better able to accommodate the needs of the ethnic groups in their clientele. So affirmative action is often, though not always, part of a larger package of MCPs.

\(^\text{13}\) A similar comment applies to refugee policy. While there may be a general trend for pro-MCP countries to have generous policies on the admission of refugees, this is not always the case, as witnessed by the harsh treatment of refugees in Australia, compared with the (formerly) generous openness to refugees in Germany, even though the former is pro-MCP and the latter not. Policies about whether to admit people as immigrants or refugees, and policies about how to accommodate them once admitted, raise quite distinct issues.
in Canada, the Scots and Welsh in Britain, the Catalans and Basques in Spain, the Flemish in Belgium, the German-speaking minority in South Tyrol in Italy, and the Hispanics in Puerto Rico in the United States. In all of these cases, we find a regionally-concentrated group that conceives of itself as a nation within a larger state, and mobilizes behind nationalist political parties to achieve recognition of its nationhood, either in the form of an independent state or through territorial autonomy within the larger state.

In the past, most if not all of these countries have attempted to assimilate or suppress these forms of substate nationalism. To have a regional group with a sense of distinct nationhood was seen as a threat to the state. Various efforts were made to erode this sense of distinct nationhood, including restricting minority language rights, abolishing traditional forms of regional self-government, and encouraging members of the dominant group to settle in the minority group's traditional territory so that the minority becomes outnumbered even in its traditional territory.

However, there has been a dramatic change in the way most Western countries deal with substate nationalisms. Today, all of the countries we have just mentioned have accepted the principle that these substate national identities will endure into the indefinite future, and that their sense of nationhood and nationalist aspirations must be accommodated in some way or other. This accommodation has typically taken the form of what we can call "multination federalism": that is, creating a federal or quasi-federal subunit in which the minority group forms a local majority, and so can exercise meaningful forms of self-government. Moreover, where the group has a distinct language, this language is typically recognized as an official state language, at least within their federal subunit, and perhaps throughout the country as a whole.

At the beginning of the twentieth-century, only Switzerland and Canada had adopted this combination of territorial autonomy and official language status for substate national groups. Since then, however, most Western democracies that contain sizeable substate nationalist movements have moved in this direction. The list includes the adoption of autonomy for the Swedish-speaking Aland Islands in Finland after the First World War, autonomy for South Tyrol and Puerto Rico after the Second World War, federal autonomy for Catalonia and the Basque Country in Spain in the 1970s, for Flanders in Belgium in the 1980s, and most recently for Scotland and Wales in the UK in the 1990s.

This, then, is the second major trend: a shift from suppressing substate nationalisms to accommodating them through regional autonomy and official language rights. Amongst the Western democracies with a sizeable national minority, the most obvious exception to this trend is France, in its refusal to grant autonomy to its main substate nationalist group in Corsica. However, legislation was recently adopted to accord autonomy to Corsica, and it was only a ruling of the Constitutional Court that prevented its implementation. So France too may join the bandwagon soon.

Other complicated exceptions include Northern Ireland, where Catholics are not territorially concentrated; and Cyprus, where a civil war broke out over the refusal by the dominant Greek community to share power with the Turkish minority. Even in these cases, however, we see movement in the direction of greater recognition of minority nationalism. Northern Ireland has recently adopted a peace agreement that explicitly accords Catholics a number of guarantees in terms of representation; and Cyprus is debating a UN-brokered proposal to adopt a form of multination

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14 We could also include the French- and Italian-speaking minorities in Switzerland, although some people dispute whether they manifest a "national" consciousness.
federalism, based partly on the Belgian model. Another complicated case is the Netherlands, where the sizeable Frisian minority lacks territorial autonomy or significant language rights, although this is largely because (virtually alone amongst such sizeable national minorities in the West) the group has not in fact mobilized along nationalist lines to acquire such rights. It is not clear that the Netherlands would reject such claims if clearly supported by most Frisians. Amongst Western countries, perhaps the only country which remains strongly and ideologically opposed to the official recognition of substate national groups is Greece, where the once-sizeable Macedonian minority has now been swamped in its traditional homeland.

We can call this a shift towards a "multicultural" approach to substate national groups, although this terminology is rarely used by these groups themselves, who prefer the language of nationhood, self-determination, federalism and power-sharing. What then are the specific policies that are indicative of this shift? We consider the following six policies as emblematic of a multicultural approach to substate national groups:

1. federal or quasi-federal territorial autonomy
2. official language status, either in the region or nationally
3. guarantees of representation in the central government or on Constitutional Courts
4. public funding of minority language universities/schools/media
5. constitutional or parliamentary affirmation of "multinationalism"
6. according international personality (e.g., allowing the substate region to sit on international bodies, or sign treaties, or have their own Olympic team)

It is important to emphasize that this category only refers to "sizeable" national minorities. There are many much smaller national groups within the Western democracies who lack the numbers or territorial concentration to be able to exercise territorial autonomy or to support separate institutions such as mother-tongue universities. This would include, for example, the Slovenians in Austria, the Sorbs in Germany, the Germans in Denmark, the Tornedal-Finns in Sweden, and so on. We have, somewhat arbitrarily, set the dividing line between "small" and "sizeable" national minorities at 100,000 people, although all of the groups just mentioned are in fact under 50,000 people. The treatment of such small national minorities raises a different set of issues, and deserves a separate category, which we have not been able to cover in this paper.

**Indigenous peoples**

The third trend concerns the treatment of indigenous peoples, such as the Indians and Inuit in Canada, the Aboriginal peoples of Australia, the Maori of New Zealand, the Sami of Scandinavia, the Inuit of Greenland, and Indian tribes in the United States. In the past, all of these countries had the same goal and expectation that indigenous peoples would eventually disappear as distinct communities, as a result of dying out, or inter-marriage, or assimilation. Various policies were adopted to speed up this process, such as stripping indigenous peoples of their lands, restricting the practice of their traditional cultures, languages and religions, and undermining their institutions of self-government.

However, there has been a dramatic change in these policies, starting in the early 1970s. Today, all of the countries we have just mentioned accept, at least in principle, the idea that indigenous peoples will exist into the indefinite future as distinct societies within the larger country, and that they must have the land claims, cultural rights (including recognition of customary law) and
self-government rights needed to sustain themselves as distinct societies.

We see this pattern in all of the Western democracies. Consider the constitutional affirmation of Aboriginal rights in the 1982 Canadian constitution, along with the land claims commission and the signing of new treaties; the revival of treaty rights through the Treaty of Waitangi in New Zealand; the recognition of land rights for Aboriginal Australians in the Mabo decision; the creation of the Sami Parliament in Scandinavia, the evolution of "Home Rule" for the Inuit of Greenland; and the laws and court cases upholding self-determination rights for American Indian tribes (not to mention the flood of legal and constitutional changes recognizing indigenous rights in Latin America). In all of these countries there is a gradual but real process of decolonization taking place, as indigenous peoples regain their lands, customary law and self-government.

This is the third main shift in ethnocultural relations throughout the Western democracies. Here again, we will call this a shift towards a more "multicultural" approach, although this term is not typically used by indigenous peoples themselves, who prefer the terminology of self-determination, treaty rights, and aboriginality or indigeneity. What are the specific policies that are indicative of the shift to a more multicultural approach? We consider the following nine policies as emblematic of the new approach:

1. recognition of land rights/title
2. recognition of self-government rights
3. upholding historic treaties and/or signing new treaties
4. recognition of cultural rights (language; hunting/fishing)
5. recognition of customary law
6. guarantees of representation/consultation in the central government
7. constitutional or legislative affirmation of the distinct status of indigenous peoples
8. support/ratification for international instruments on indigenous rights
9. affirmative action

These, then, are the specific policies that we consider the most important or paradigm forms of MCPs, for the specific cases of immigrants, national minorities and indigenous peoples. It is inevitably a partial list: one could quickly think of other possible policies to include, if one wanted to expand the list indefinitely. However, we believe that this is a fair representation of the sorts of policies that have been adopted or debated by various Western countries, defended by advocates of multiculturalism, and attacked by their critics.

There are other kinds of ethnocultural groups, often tied to the unique circumstances of particular countries. An important case, already mentioned, is that of the African-Americans. Indeed, some of the critics who argue that MCPs harm the WS are primarily concerned with this particular case. Although they state their critique in a very general form that condemns MCPs across the board, their real concern is with this one group in particular. Given its importance, we return to this case in section 7 below. However, we also want to test the critique in its general form. And so we have focused on three types of groups that are sufficiently common across a range of Western countries that we can make cross-national comparisons.

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15 As with most of these criteria, finer distinctions can and should be made here. For example, in many countries, states recognize indigenous title, but retain subsurface rights over minerals or oil and gas.
As we noted earlier, our definition and list of MCPs is not necessarily equivalent to that of any particular critic (or defender) or MCPs. We think our view is broadly consistent with the implicit definition of MCPs used by two of the most influential critics – namely, Todd Gitlin and Alan Wolfe. However, it’s important to note that our definition of MCPs is broader than that offered by Barry. Consider the issue of education. Barry specifically denies that the adoption of a multicultural curriculum within common public schools qualifies as a form of MCP. To qualify as an MCP, on his view, an educational policy must go beyond recognizing or accommodating diversity within a common curriculum in common schools. One way it can go beyond is to create institutional separateness – that is, separate publicly-funded schools for distinct ethnic or religious groups. This is a lively issue in many Western countries, often debated as a form or (or implication of) “multiculturalism”. And as we have seen, Barry is particularly concerned about the impact of institutional separateness on trust and solidarity and hence the WS (Barry 2001: 88). Yet in places, Barry wants to narrow the definition of MCPs even further, to restrict it to policies that involve some form of group-specific legal right or exemption (Barry 2001: 294-5). A policy that granted all groups a right to public funding for separate schools would not qualify, on this very narrow definition, since there is no group-specific right or exemption. Educational policy would only qualify as an MCP if it allowed specific groups to be exempted from general educational laws (eg., allowing fundamentalist Christians or Muslim girls to be exempted from sex education classes) or granted specific groups specific rights to educational facilities (eg., granting one ethnic group the right to mother-tongue education, but not others).

We have obviously not restricted our account of MCPs in this way. Depending on how broadly or narrowly the idea of group-differentiated rights/exemptions is interpreted, it is possible that only two of the nine immigrant MCPs we identify would qualify as MCPs on Barry’s definition (ie., group-specific exemptions and affirmative action). We have several reasons for not following Barry’s narrow definition. First, as Barry himself notes, his definition is wildly at odds with everyday usage, since for many people the idea of a multicultural curriculum is the very paradigm of an MCP (Barry 2001: 234). Second, Barry’s emphasis on the narrow set of group-

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16 By contrast, virtually all of the nine MCPs we identify under indigenous people would, we assume, qualify under Barry’s definition. Or would they?
17 One additional reason is that it is unclear (to us) what policies would qualify under this more narrow definition. In the case of national minorities or indigenous peoples, for example, does the decision to create a territorial subunit controlled by the minority group qualify as a group-specific right, given that the state would not create such a subunit for immigrant enclaves? Does according official language status to the language of a national minority qualify as a group-specific right when the languages of equally-large immigrant groups are not given this status? (For example, German is an official language in Belgium, but German-speakers are outnumbered by Arab-speakers. So too with Romansch in Switzerland). Barry expressed general support for the policy of according territorial autonomy and official language status to national minorities, and according land claims and self-government to indigenous peoples, so long as these groups exercise their self-governing powers in accordance with liberal constitutional values. Yet it is not clear whether he views these policies that recognize and empower particular groups and support their languages and separate institutions as exceptions to the rule that group-specific policies are illegitimate, or as somehow not involving group-specific rights. Since we are not sure how to apply Barry’s narrow criteria, we have stuck instead with the more familiar broader definition.
specific rights/exemptions seems more relevant to his philosophical critique of MCPs than his empirical critique. Most of Barry’s book is devoted to arguing that MCPs tend to violate liberal principles of freedom and equality, and for this philosophical purpose he argues that group-specific rights/exemptions are more likely to be illiberal or inegalitarian than policies that accommodate diversity within common rules in common institutions. However, it is not clear whether he thinks that the empirical critique advanced in the final chapter of his book only applies exclusively or even primarily to the narrower range of policies. After all, according to Barry, MCPs in this more narrow sense of group-specific rights and exemptions tend to be adopted without any public discussion, and are often completely unknown by the general public (Barry 2001: 295). The crowding, corroding and misdiagnosing effects Barry attributes seem to require a significant level of public awareness, and on Barry’s own account, this public awareness applies more to the broader issues such as multicultural education rather than to the narrow issues of group-specific exemptions. Moreover, Barry expresses sympathy with Gitlin’s empirical critique, yet Gitlin (like Wolfe) argues that the crowding, corroding and misdiagnosis effects apply to the broader range of culturalist policies, not just the narrow range Barry emphasizes. Indeed, the case Gitlin spends most time on in his book is precisely the struggles over multicultural textbooks in the public schools. So it is possible, although not certain, that Barry intends his empirical critique to apply to broader forms of MCPs. Finally, and most importantly, we doubt that adopting the narrow definition of MCPs would affect the test results. It is possible, in principle, that countries which are categorized as “strongly” MCP on our broad criteria might turn out to be “weakly” MCP on Barry’s narrow criteria (and vice-versa). However, Barry himself suggests otherwise. While he does not offer a systematic categorization of countries as more or less multicultural in their public policies, he does observe that MCPs have primarily been adopted within the traditional countries of immigration, and that within this camp Canada has “gone further along the path of multiculturalism than Britain or the United States” (Barry 2001: 294). This suggests a ranking in which Canada is more strongly MCP than the US/Britain, which in turn are more strongly MCP than, say, Austria or Germany. This is entirely consistent with our own ranking, which is developed below. So we suspect that adopting Barry’s narrow criteria would not significantly affect the country rankings, and hence would not affect the empirical findings about how the level of MCPs affects WS. However, this conclusion must be provisional, until someone engages in a systematic attempt to categorize countries on Barry’s narrower criteria.

So we believe that our test speaks directly or indirectly to the critique raised by Gitlin, Wolfe and Barry. It is important to note, however, that there are other versions of the argument that MCPs erode the WS that our approach does not test. For example, David Miller has argued that what he calls “radical” multiculturalism is likely to erode the WS. On his view, unlike Gitlin/Wolfe/Barry, MCPs are not inherently corrosive of the WS. They are dangerous only if they are not supplemented with policies that nurture an overarching political identity. In the British context, therefore, he is not opposed to MCPs that tell citizens there are many different and legitimate ways of “being British”, and that being British is not inconsistent with the public expression and accommodation of other identities, including “being Muslim” or “being Scottish”. However, he insists that MCPs recognizing and accommodating minority identities must be accompanied by policies that actively promote the sense of “being British”. He therefore opposes any philosophy of multiculturalism that would suggest that minorities should be absolved or discouraged from adopting such a pan-ethnic superordinate political identity. This is the philosophy he calls “radical multiculturalism” – ie., the philosophy of recognizing minority identities without
simultaneously linking them to an overarching identification with (and loyalty to) the larger political community and state (Miller 1995: chap. 5; Miller 2000: 105-6). He distinguishes this sort of “radical” multiculturalism from moderate multiculturalism, which combines MCPs with nation-building policies to inculcate overarching political identity and loyalty.

Miller’s argument raises issues that are of both theoretical and political importance. At the theoretical level, his argument rightly insists that in trying to understand the impact of MCPs on the WS, it is a mistake to view MCPs in isolation from the larger context of public policies that shape people’s identities, beliefs and aspirations. Whether or not MCPs encourage trust or solidarity, for example, will heavily depend on whether these MCPs are part of a larger policy package that simultaneously nurtures identification with the larger political community. In the absence of appropriate nation-building policies, a particular MCP may reduce solidarity and trust, by focusing exclusively on the minority’s difference. But in the presence of such nation-building policies, the same MCP may in fact enhance solidarity and trust, by reassuring members of the minority group that the larger identity promoted by nation-building policies is an inclusive one that will fairly accommodate them.

So Miller is right to emphasize the link between MCPs and nation-building policies. It is potentially misleading, however, to describe this point in terms of a contrast between “radical” and moderate multiculturalism. So far as we can tell, no country in the West has adopted radical multiculturalism. All Western countries adopt a range of policies to inculcate overarching national identities and loyalties, including the mandatory teaching of the nation’s language, history and institutions in schools, language tests for citizenship, the funding of national media and museums, and the diffusion of national symbols, flags, anthems and holidays, to name just a few. Even in those Western countries that have strongly moved in the direction of MCPs, the resulting approach is best described as “robust forms of nation-building combined and constrained by robust forms of minority rights”. So all of the countries that we describe as “strongly” or “modestly” MCP fall into the moderate category on Miller’s terminology – we do not believe there is any Western democracy that has adopted “radical” MCP in Miller’s sense. However, it is certainly true that countries vary in the strength and effectiveness of their nation-building policies, and this affects the impact of any particular MCP.

This then raises an important political point – namely, that even if there is evidence that some strongly or moderately MCP countries have had more difficulty sustaining the WS, the appropriate remedy may not be to reduce or abolish the MCPs. The problem may instead lie with the inadequate or inept nation-building policies. Countries with MCPs that are worried about issues of trust and solidarity may respond, not by weakening their commitment to MCPs, but rather by strengthening their nation-building policies, for example by providing greater funding for immigrants to learn the official language, or by providing citizenship education classes, or establishing citizenship oaths and ceremonies for immigrants who naturalize.

This indeed is precisely what we see in the last few years in some Western countries, such as the Netherlands or Britain. Netherlands has decided that more effort must be spent on encouraging and enabling immigrants to learn the official language (Fermin 2001; Baubock 2003; Entzinger 2003). So too has Britain, which has also adopted a national policy of promoting citizenship education in the schools, and creating citizenship ceremonies and oaths (White Paper 2001: 3. For a more detailed discussion of the enduring centrality of nation-building policies, even in pro-MCP countries like Canada or Australia, see Kymlicka 1998; 2001.
These shifts in Britain and Netherlands have been described as a “retreat from multiculturalism” in a recent paper by Christian Joppke (Joppke 2003; cf. Brubaker 2001). But in fact he does not cite any examples of MCPs that have been replaced or abolished in either the Netherlands or Britain. The change he describes, rather, has been to strengthen and improve the nation-building policies that accompany those MCPs. It is particularly puzzling to describe the new British policy as a retreat from multiculturalism, since it is explicitly modelled on Canadian policies. For example, the new citizenship oaths and citizenship ceremonies, as well as the language tests for citizenship, are drawn in part on similar Canadian policies, and are defended in part by emphasizing their role in the success of the Canadian approach to immigrant integration. Indeed, with the adoption of these enhanced nation-building policies, Britain has become closer to, not farther from, the Canadian model of immigrant integration, with its “robust nation-building combined and constrained by robust minority rights”. So it is quite misleading to describe enhanced nation-building policies as a retreat from MCPs.

Why then would Joppke and others describe these policy shifts as a “retreat from multiculturalism”? Part of the answer, we think, is that these shifts, while not repudiating actual MCPs, are often accompanied by a shift away from the rhetoric of multiculturalism. In several countries, the discourse or rhetoric of multiculturalism has become less fashionable. Fewer politicians extol its virtues or identify themselves as “multiculturalists”, although nor do they propose to abolish or retrench any actual MCPs.

This raises one final point of clarification regarding our test. Our focus, as we have repeatedly stressed, is on multiculturalism policies, and on the complaint that such policies erode the WS. We are not addressing the impact of multiculturalist rhetoric or discourse. In many cases, policies and discourse go together. Countries with strong MCPs are likely to be characterized by the rhetoric of multiculturalism. But the relationship between multiculturalist policies and multiculturalist rhetoric is complicated. One can have multiculturalist rhetoric without MCPs. For example, as we noted earlier, in Germany today the rhetoric of multiculturalism is invoked to defend policies of the non-discriminatory enforcement of traditional individual civil and political rights. Conversely, one can have multiculturalist policies without multiculturalist rhetoric. This is the case in Britain today, where the Home Secretary David Blunkett has explicitly expressed his dislike for the term `multiculturalism’. It is also true, to a lesser extent, in Canada and Australia, where the word multiculturalism is less common than ten or fifteen years ago.

We emphasize this point in part to avoid potential misunderstandings about our categorization of countries in section 4. When we describe Germany as “minimally” MCP we are

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19 Even in the Dutch case, where policy-makers talk explicitly about a rejection of multiculturalism, many MCPs remain in place, including consultative bodies, affirmative action, funding for minority religious schools, funding for mother-tongue education, and so on.

20 For more speculation on the decline of the rhetoric of multiculturalism, despite the persistence of MCPs, see Kymlicka 2003.

21 Conversely, countries that have dogmatically rejected the discourse of multiculturalism may contain a (minimal) number of MCPs. This is true, for example, of France (Schain 1999). As Schain argues, the anti-multiculturalist government rhetoric in France obscures as much as it reveals about France’s actual policies.
referring to the relative absence of multiculturalist policies, not the absence of multiculturalist rhetoric. Conversely, when we describe Australia as strongly MCP, we are referring to the wide range of MCPs that are present, not to the (declining) level of multiculturalist rhetoric. But we also emphasize this point because it raises an interesting issue about the empirical critique of multiculturalism. All of the critics we have cited claim that multiculturalism policies erode the WS. But it is possible that what some of them are really concerned about is the rhetoric or discourse of multiculturalism. For example, it is not clear that either the misdiagnosis effect or the corroding effect really depends on the presence of MCPs, rather than simply multiculturalist discourse. We are not aware of any critics who have attributed the erosion of the WS to multiculturalist rhetoric, rather than MCPs, but it is a hypothesis that might be worth investigating. In this paper, however, we are focused exclusively on multicultural policies, particularly the 24 policies listed above.

With these clarificatory comments in place, we can now turn to an examination of the evidence.

Section 3. The Available Evidence

What then is the evidence that MCPs erode the WS? The critics themselves provide no systematic evidence to support their claims. They offer anecdotes of an apparent tension between MCPs and the welfare state – such as Gitlin’s story about the students at UCLA - but do not cite any empirical studies that show a correlation between the adoption of MCPs and the erosion of the WS.

This is perhaps not surprising because, so far as we can tell, there are no empirical studies available with which to test the contending interpretations of the relationship between MCPs and the welfare state. Several bodies of literature touch on the issues, but without confronting them directly.22

There is an enormous comparative literature on the welfare state, with a strong tradition of empirical research, but it has not focussed on the implications of MCPs. Many studies have analyzed the factors shaping the social role of the state with the aid of cross-national data sets and multiple regression analysis. This literature seeks to explain variation in social spending across OECD countries by reference to a wide range of factors, including the level of economic development, the openness of the economy, the size of the elderly population, the relative strength of organized labour, the religious profile of the population, the historic dominance of parties of the left or right and, in more recent studies, the structure of political institutions.23

Similar factors emerge in a related literature that expands the dependent variable from the level of social spending to different broad versions of the welfare state, as in Esping-Andersen’s three “welfare state regimes” (Esping-Andersen 1990, 1996) and the extensions of his classification offered by others (Castles 1989, 1996; Ferrera 1996). However, none of these studies has integrated MCP into their analysis. The closest they come is the recent focus on the implications of political structures, which concludes that federalism and decentralization – one way in which

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23 This literature is enormous. For two major recent contributions, see Huber and Stephens 2001; and Swank 2002.
countries can seek to accommodate national minorities -- is negatively associated with social expenditures as a proportion of GDP. One recent contribution to this literature finds that decentralization has more powerful (negative) effects on social welfare spending than other institutional variables, such as the level of corporatism in decision-making, the nature of the electoral system or the presence of a presidential system of government. \(^{24}\) However, such studies do not distinguish between countries such as Canada, Belgium, Spain and the United Kingdom, where federal or quasi-federal institutions were adopted at least in part to accommodate sub-state nationalism, from countries such as Australia, Germany and the United States, where federalism owes its roots to other considerations.

There is a small but growing literature that explores the implications of ethnolinguistic or racial diversity of the population for a range of economic and social outcomes. Development economists, including some associated with the World Bank, have tackled the issue in their efforts to explain the poor economic performance of a number of developing countries, especially in Africa. Their primary concern is that ethnic tensions lead to communal rent-seeking in government, poor macro-economic policies and in some cases high levels of violent conflict, all of which retard the rate of economic growth in developing countries. While the main focus of this literature is the impact of ethnolinguistic and racial diversity on economic growth, the findings do touch on broader social issues as well. For example, while the association between ethnic diversity and the size of the state is weak, spending on private as opposed to public education tends to be higher in countries with more religious and linguistic diversity, and transfer payments tend to be lower in countries with high levels of ethnic diversity. \(^{25}\) Given the incidence of ethnic diversity around the planet, however, these results tend to be dominated by the experience of Third World countries, and their conclusions cannot be applied directly to explanations of the levels of social support across western democracies.

There have been episodic attempts to incorporate ethno-linguistic diversity in analysis of development of the welfare state in OECD countries. The dominant interpretation that emerged from the first generation of research in this field highlighted the strength of organized labour, both economically and politically, as a key determinant of the postwar expansion of social expenditures (Stephens 1979, Korpi 1983, Esping-Andersen 1985). However, Stephens also found that ethnic and linguistic diversity was strongly and negatively correlated with the level of labour organization. The implication would seem to be that social heterogeneity is likely to weaken the mobilization of the working class by dividing organized labour along ethnic and linguistic lines, making it more difficult to focus on an agenda of economic inequality as opposed to inter-communal relations. Unfortunately, subsequent generations of this research did not follow up on this lead. \(^{26}\) However, there has been a recent flurry of interest in the area among scholars who emphasize ethnic and racial diversity in explaining why the United States did not develop a European-style welfare state (Alesina, Glaeser and Sacerdote 2001), and in explaining


\(^{25}\) See, for example, Easterly 2001a and 2001b; Easterly and Levine 1997; James 1987, 1993; Nettle 2000; and Grafton, Knowles and Owen 2002.

\(^{26}\) Interestingly, this observation also applies to Stephens’ own recent work, which does not incorporate ethno-linguistic diversity. See Huber and Stephens 2001.
differences in social expenditures across cities and states within the United States (Alesina, Baqir and Easterly 1997; Hero and Talbert 1996; Plotnick and Winters 1985). In Europe, political scientists seeking to understand the strength of radical right-wing parties point to a potent cocktail of resentments against racially-distinct immigrants and social transfers to them, leading one scholar to worry about the basic viability of a multicultural welfare state (Kitschelt 1995; also Swank and Betz forthcoming).

The key point from our perspective, however, is that all of these studies focus on ethnic diversity as a demographic phenomenon and are silent on the implications of the adoption of MCPs in response to such diversity. Existing studies tell us nothing about whether the adoption of formal MCPs increases a negative relationship between ethnic diversity and social redistribution, as the critics suggest, or potentially mitigates it, as the defenders reply. We therefore have to find a way of illuminating this issue more directly.

Section 4. How to Test the Compliant?

In this paper, we rely on two forms of evidence to test the complaint that the adoption of MCPs weakens the welfare state. First, we present cross-national statistical evidence to determine whether there is a correlation between countries that have adopted formal MCPs and levels of social redistribution. Second, because this is an issue in which nuance and subtlety are important, we present short case studies of the evolution of social policy in two countries that clearly have adopted strong version of MCPs.

Developing cross-national statistical evidence requires classifying countries in terms of the extent to which they have adopted MCPs. Unfortunately, there is no comprehensive and authoritative classification of western democracies in this regard, and we have therefore carried out an initial classification of our own. We classify western democracies as having adopted weak MCPs, modest MCPs or strong MCPs on the basis of whether or to what extent they have adopted the various MCPs listed earlier in section 2. Moreover, we classify western democracies for each of three types of minorities: immigrant communities, national minorities and indigenous peoples.

In the case of immigrant groups, for example, we previously listed nine MCPs that have often been demanded, debated, and sometimes adopted in Western democracies. To recall, these are: (1) parliamentary affirmation of multiculturalism; (2) the existence of a government ministry or secretariat or advisory board to consult with ethnic communities; (3) the adoption of multiculturalism in school curriculum; (4) the inclusion of ethnic representation/sensitivity in the mandate of public media or media licensing; (5) exemptions from dress-codes, Sunday-closing legislation etc.; (6) allowing dual citizenship; (7) the funding of ethnic group organizations or activities; (8) the funding of bilingual education or mother-tongue instruction; (9) affirmative action. If a particular country had adopted most or all of these policies for much of the relevant period we are examining (1980 to the late 1990s), we have categorized it as “strong”. If it only adopted one or two, we have categorized it as “weak”. If it falls in-between, we have categorized it as “modest”. On this basis, we have categorized countries this way:

STRONG: Australia, Canada, New Zealand
MODEST: Britain, Netherlands, Portugal, Sweden, US
WEAK: Austria, France, Germany, Greece, Spain, Switzerland.
We were not able, yet, to track down sufficient information to categorize with confidence a range of other Western countries with sizeable immigrant populations, including Norway, Finland, Ireland, Denmark, Italy and Belgium. It is almost certain that they all fall into either the “modest” or “weak” category. To our knowledge, none of these countries have adopted the sort of wide-ranging MCPs found in countries like Canada and Australia. But we do not know which of them have more modest MCPs, and which have only weak MCPs. So our immigrant categorization includes a fourth category:

WEAK/MODEST: Belgium, Denmark, Finland, Ireland, Italy, Norway

Similarly, in the case of sizeable national minorities, we have categorized countries based on the extent to which they have adopted the six MCPs we listed earlier, namely, (1) official language status, regionally or nationally; (2) federal or quasi-federal territorial autonomy; (3) guarantees of representation in the central government or on Constitutional Courts; (4) public funding of minority language media/universities/schools; (5) constitutional or parliamentary affirmation of ‘multinationalism’; (6) according international personality. If a country has adopted most or all of these, we have categorized it as “strong”; if only one or two, as “weak”; and if in-between as “modest”. Based on these criteria, we have categorized those Western democracies that contain sizeable national minorities this way:

STRONG: Belgium, Canada, Finland, Spain, Switzerland
MODEST: Italy, UK, US (with respect to Puerto Rico)
WEAK: France, Greece

We have not been able to confidently locate the Netherlands on this scale. As noted earlier, the Frisian minority in the Netherlands is substantial (700,000) and territorially located, and so clearly qualifies as a sizeable national minority. It appears to have fairly weak MCPs, although in this case, unlike France or Greece, it is unclear to what extent this is due to opposition from the central government, or simply due to the lack of interest or demand from the Frisians themselves.

Finally, with respect to indigenous peoples, we have categorized countries based on the extent to which they have adopted the nine MCPs we listed earlier, which were: (1) recognition of land rights/title; (2) recognition of self-government rights; (3) upholding historic treaties and/or signing new treaties; (4) recognition of cultural rights; (5) recognition of customary law; (6) guarantees of representation/consultation in the central government; (7) constitutional or legislative affirmation of the distinct status of indigenous peoples; (8) support/ratification for international instruments on indigenous rights; (9) affirmative action. We have categorized countries as “strong” if they have adopted all or most of these, “weak” if they have adopted few or none of them; and “modest” if they fall in-between. On this basis, we have categorized those Western countries containing indigenous peoples as:

STRONG: Canada, Denmark, New Zealand, US

There was some dispute amongst our correspondents about whether to list the US as “strong” or “modest” in its approach to indigenous peoples. On the one hand, the “domestic dependent
MODEST: Australia, Finland, Norway, Sweden
WEAK: None

Given the limited resources at our disposal, this classification must obviously be considered preliminary. Undoubtedly some refinement in our judgments about individual countries may be in order. However, we are confident that the classification represents a reasonable starting point for discussion.

One further clarification is important. Since we are examining the relationship between MCPs and the WS in the period from 1980 to the late 1990s, we are categorizing countries based on the policies they had in place for a substantial portion of those years. This is the two-decade period in which the debate over MCPs has been most intense, and in which several countries adopted or significantly extended MCPs, and our aim is to assess the impact of these policy choices on the WS. As a result, these rankings may not reflect the most recent changes in some countries. For example, with the legislation adopted in Britain in 1998 to devolve powers to Scotland and Wales, and the subsequent coming into operation of the Scottish parliament and Welsh assembly, one could argue that Britain should now fall into the strong-MCP category in its approach to sizeable national minorities. However, this change is too recent to have affected the evolution of the WS from 1980 to the late 1990s. If devolution has an eroding effect on social redistribution, it will only show up in later years. Similarly, some commentators have argued that Netherlands and Britain have recently “retreated” from multiculturalism in their treatment of immigrant groups, and so moved from the “modest” to the “weak” category. As we noted above, it is not clear whether this is an accurate description of the policy shift, but in any event, this shift is too recent to have affected British social programs. So our categorizations are based on the policies adopted during the period we are studying. We categorize a country as “strongly” or “modestly” MCP if it had in place strong or modest MCPs for a significant portion of the twenty-year period we are studying, and we are interested in the relationship between these policies and the WS during that period.

Having categorized countries in this way, we then look for correlations between levels of MCP and two types of variables: changes in the levels of interpersonal trust prevailing in different countries; and changes in the strength of the welfare state. Interpersonal trust is often depicted by critics of MCP as an intermediate variable between the adoption of such policies and the erosion of the welfare state. MCPs are seen as eroding the feelings of trust and solidarity across groups within society; and this erosion in trust in turn weakens support for redistributive

nations’ status recognized by the US Supreme Court in the 19th-century has provided American Indian tribes with a legal status throughout much of the 19th and 20th centuries that most indigenous peoples around the world could only dream of. On the other hand, that status has recently been whittled away by the increasing assertion of state jurisdiction over Indian reservations, and there has been no dramatic re-affirmation of indigenous rights in the US to match the Treaty of Waitangi Commission in New Zealand; the “reconciliation” process in Australia; or the constitutional entrenchment of indigenous rights in Canada. We have decided to leave the US in the “strong” category, in part to avoid any charges of biasing the analysis. If the US were included in the “modest” category, as some experts suggested, the numbers would even more strongly refute the critics’ argument.

28 Because of lack of data on key variables, Greece, New Zealand and Portugal are excluded from the analysis.
social programs, both by undermining pro-redistribution coalitions and by sparking resistance to transfer programs that are seen as disproportionately assisting other groups that are not trusted. To test this idea, we draw on data on the levels of interpersonal trust in different countries produced by the World Values Study (see Appendix One for details on this data set). These data measure overall levels of interpersonal trust among citizens generally, not attitudes about the trustworthiness of specific social groups within the population. If the general story about MCPs eroding trust were true, however, one would expect to find overall trust levels in countries that have adopted such policies falling relative to countries that have not.

For evidence of changes in the strength of the welfare state, we rely on four indicators:

1) social spending as a proportion of GDP;
2) the redistributive impact of government taxes and transfers;
3) the level of child poverty;
4) the level of income inequality.

Each of these indicators taps a different dimension of the social role of the state. Social spending as a proportion of GDP measures the proportion of the nation’s resources directed by government to social purposes. On its own, however, this indicator says little about the extent of redistribution that emerges from these expenditures. The second indicator measures the redistributive impact of government by comparing inequality in market incomes and inequality in disposable incomes (after taxes and transfers are taken into account), and is perhaps the indicator that goes most directly to the heart of the questions raised by the critics of MCPs. The third and forth indicators capture important social outcomes. The level of child poverty measures the extent to which one vulnerable section of the community is protected; and the level of inequality measures the overall distribution of well-being in the country. Although these last two indicators do not focus directly in social policies, they provide indirect measures of the strength of the welfare state. Appendix One provides details on the ways in which these measures are calculated, as well as descriptions of the OECD data base on Social Expenditure (SOCX) and the Luxembourg Income Study, the two datasets on which we draw.

It is important to emphasize that our focus is on change in measures of trust and social redistribution from the early 1980s to the late 1990s, not on differences in the overall level of trust and social redistribution in different countries. When critics argue that there is a correlation between MCPs and a weakened welfare state, they are not arguing that only weak welfare states adopt MCPs. Their claim is that even if countries with strong welfare states adopt MCPs, they will have more difficulty sustaining the strength of their welfare states over time, due to the crowding-out, corroding and misdiagnosis effects, than countries with only weak MCPs. So their argument is not that countries with strong MCPs will necessarily have lower absolute levels of trust or redistribution than countries with weak MCPs. Rather, their claim is that countries adopting strong MCPs are likely to have witnessed greater decline in levels of trust and redistribution as compared to countries with weak MCPs. Their claim is not about differences in absolute levels, but about changes in levels over time. Hence our test, too, focuses on the size and direction of changes in trust and redistribution in the 1980s and 1990s.

To illustrate this point, we do not ask why Australia, Canada and the United States did not develop European-style welfare states during the postwar years. Rather, we are interested in changes in levels of social redistribution in these countries since their adoption of stronger MCPs
in recent decades in comparison with changes in social redistribution in countries that did not. If trust and social redistribution faded in such countries to a greater extent than in other countries, then the critics’ case gains considerable support. But if there is no systematic relationship between the adoption of MCP and changes in trust and social redistribution, the critics’ case is considerably weakened.

In carrying out this exercise, we look separately for relationships between MCP and trust, and between MCP and social redistribution. Ideally, one would like to incorporate both trust and MCPs into a larger model of the factors associated with social spending and redistribution across OECD countries. However, such an effort remains for the next stage of research. Because of the evidence discussed earlier that ethnic diversity on its own may constrain the redistributive role of the state, such a model would need to distinguish between levels of ethno-linguistic diversity as a social phenomenon and the adoption of formal MCPs. Unfortunately, there appears to be no data set currently available that would allow one to track changes in the level of ethno-linguistic diversity in OECD countries over time. Moreover, because the adoption of MCPs is more likely in countries with high levels of ethnic diversity, there may well be problems of collinearity. All of this suggests that our analysis represents a first step, and that many issues remain for further research.

Finally, because context and nuance are particularly important in studies such as this, we supplement the cross-national statistical data with more qualitative case studies of the dynamics of MCPs and social redistribution in two countries, Canada and Belgium. Canada represents a leading exhibit for both advocates and critics of MCPs along all three of our dimensions: immigrant minorities, national minorities and indigenous peoples. Belgium is a country that has radically redesigned its political institutions to reflect and accommodate one dimension of multiculturalism, sub-state nationalism. If there were a general tension between MCPs and social redistribution -- if crowding out, corroding or misdiagnosis effects are powerful consequences of the adoption of MCPs -- one would expect to find evidence of its pernicious effects in these two countries.

Section 5: The Data

The results of our examination of measures of change in trust and social redistribution are clear: there is no consistent relationship between the adoption of MCPs and the erosion of the welfare state. Tables 1, 2 and 3 provide our measures of change in trust and the welfare state. (The detailed data on levels, from which the measures of change were calculated, can be found in Appendix Two.) We discuss the results for each type of minority group separately:

29 It might be objected that our own analysis is constrained by this difficulty. Certainly, if a clear relationship between the adoption of MCPs and the erosion of the welfare state did emerge from our evidence, subsequent work would be required to disentangle the effects of social diversity from the adoption of MCPs. However, a finding that there is no consistent relationship between MCPs and social redistribution, despite the possible additional influence flowing directly through the diversity-redistribution link, would seem to be even more compelling evidence that the adoption of MCPs does not erode the welfare state.
Immigrant minorities

Table 1 summarizes our five indicators in the case of immigrant minorities. On average, the level of trust in countries with strong MCPs declined less than in the modest and weak groups; only the weak/modest group did better on average. Moreover, the standard deviations indicate that there is almost as much variation within our groups as in the sample as a whole.

The result is the same when attention shifts to our four welfare state indicators. Some readers may be surprised that, despite decades of cuts in many countries, social expenditures have continued to rise as a proportion of GDP. Demographic and cost pressures in major programs such as pensions and health care have clearly counterbalanced retrenchment efforts. However, there is no consistent relationship between the extent of increase and MCPs. It is true spending grew somewhat more in weak-MCP countries, but this was influenced significantly by catch-up in Switzerland, which started the period with very low spending levels. A paired comparison of Canada and Australia on one hand and France and Germany on the other gives the advantage to the two strong-MCP countries. Moreover, when attention turns to redistribution, strong-MCP countries strengthened their redistributive role more than did weak-MCP countries (although redistribution did erode in the middle group, which includes the United Kingdom and the United States).

The two indicators that measure social outcomes point in different directions. The inequality measure shows a general drift upwards in our period, reflecting the impact of all of the forces debated in the literature on the welfare state: globalization, technological change, political conservatism, social policy retrenchment, and so on. It is true that the weak-MCP countries seem to have resisted the trend slightly more than the other two categories. But the child poverty rates point in precisely the opposite direction. Child poverty rates shows a general pattern of increasing rates over our time period but, unfortunately for critics of MCPs, child poverty grew more in the weak-MCP and the weak/modest groups of countries than in the strong-MCP group. In general, however, there is no consistent relationship, with variation within groups similar to that in the sample as a whole.

Clearly, there is no evidence of a systematic relationship between the adoption of MCPs and the erosion of the welfare state here.

National Minorities

Table 2 provides the same data for the case of the recognition and accommodation of national minorities. While the details are different, the overall conclusion is the same: no clear relationship between MCP and the strength of the welfare state. Average levels of trust actually strengthened slightly in strong-MCP countries, while deteriorating in modest-MCP countries and in France, the only weak-MCP country in this table. Social spending grew somewhat faster in strong MCP counties, while redistribution strengthened by about the same amount in both the strong-MCP group and France, while eroding in the modest group. Critics of MCPs might take some heart from the data on changes in child poverty and inequality, but it is worth noting that the large variation within sub-groups. Once again, the overall pattern is no pattern.

There is an added problem that the OECD changed the way in which it measures social spending in Switzerland and, as a result, our indicator overstates the rate of growth over this period.

There is a complication here that should be noted. As we have seen, one feature of a strong
Indigenous Peoples

Table 3 completes the evidence by providing measures for the case of indigenous peoples. Because a smaller number of countries have indigenous peoples and none has been classified as weak-MCP, the patterns are even more tenuous and vulnerable to the experience of particular countries. Once again, the data reveal no evidence of a systematic relationship. For what it is worth, change in trust measures between the strong and modest groups is basically a dead heat. Social expenditures did grow more slowly in countries with strong commitments, but the change in redistribution is almost identical in both groups. In terms of social outcomes, child poverty grew slightly less in the modest group, but inequality grew slightly more. Moreover, on virtually all of these dimensions, variation within groups was as large as variation in the sample as a whole.

In short, we see no consistent relationship between adopting MCPs and changes in either trust or redistribution. We can make the same point in another way. All Western welfare states have been facing a series of challenges over the last 20 years, from pressures for economic competitiveness, deficit reduction, technological change, aging populations, political conservatism, and so on. These challenges have led to changes in all welfare states. On average, for example, across the Western world:
- social spending increased by 26%
- redistribution increased by 6.1%
- child poverty increased by 3 percentage points;
- inequality grew by 5.9%.

MCP approach towards sizeable national minorities is the adoption of a federal or quasi-federal regime that devolves substantial powers of self-government to a region dominated by a national minority. These powers of self-government often include jurisdiction over issues that affect both MCPs and WS. As a result, many of the questions we have been addressing in this paper at the national level also arise at the substate level. For example, the Quebecois, Scots, Flemish and Catalans have all been engaged in their own debate about how adopting substate-level MCPs would affect substate-level WS policies. A full investigation of the relationship between MCPs and WS would need to examine their relationship at this substate level as well. It would be interesting to see, for example, whether substate governments with strong MCPs (like Quebec) have fared worse, in terms of changing levels of WS spending, than substate governments with only weak MCPs (like Flanders).

This issue arises most clearly in multination states that have devolved power to self-governing regions. But it arises in all federal countries, even those not affected by minority nationalisms. For example, while the central government in Germany has historically adopted only a weak MCP approach, some Lander governments have adopted stronger MCPs at the substate level. It would be interesting to test whether Lander with stronger MCPs have fared worse, in terms of changing levels of WS spending, than Lander with weaker MCPs. So too in the United States. State governments in the US have considerable discretion both respect to MCPs (eg., in terms of providing minority-language services) and in terms of WS policies (eg., qualification requirements and funding levels for welfare programs). It would be interesting to test whether state governments in the US with stronger MCPs have fared worse, in terms of changing levels of WS spending, than states with weaker MCPs.
These numbers represent the norm for how Western welfare states responded to the challenges of last 20 years of the 20th century. If the critics were correct, we would expect countries with strong MCPs to have fared worse than average. Focusing on the case of immigrant minorities, however, the result is exactly the opposite for three of the four WS measures. Countries with strong MCPs have done better than average on changes in social spending, redistribution and child poverty.

*Narrowing the Sample:*

So far, we have been looking across the broad sweep of the Western democracies. In fairness, however, it must be said that most of the critics are focused on a narrower set of countries, and it is possible that if we reduce the sample, a pattern may emerge that is obscured when the full set of Western democracies is included.

For some critics, the focus is quite narrow – namely, the “Anglo” countries. In Barry’s book, for example, virtually all of the examples he discusses of MCPs (and virtually all of the multicultural theorists he criticizes) are drawn from the UK, US, Canada and Australia. He argues that MCPs have had deleterious effects at least in these four countries. Narrowing our sample to these four countries should, therefore, provide a particularly good test of his theory. As we noted earlier, although Barry does not provide a systematic ranking of countries in terms of their level of MCPs, he does say that Canada has “gone farther done the path” of MCPs than the United Kingdom and the United States (Barry 2001: 294), and implies that Australia is closer to Canada in this regard (eg., Barry 2001: 169). If his argument is correct, we should expect Canada and Australia to have fared worse on WS measures than the US and the UK. In fact, the results are just the opposite. If we compare the performance of these four countries on social spending and redistribution, which is Barry’s main concern, the strong-MCP pair has superior performance than the more modest pair, especially in the overall redistributive impact of the state, which strengthened in Canada and Australia and weakened in the United Kingdom and the United States.

<table>
<thead>
<tr>
<th>MCP Ranking</th>
<th>Social Spending %Δ</th>
<th>Redistribution %Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>35.3</td>
<td>23.0</td>
</tr>
<tr>
<td>Australia</td>
<td>57.5</td>
<td>7.5</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>35.7</td>
<td>-9.1</td>
</tr>
<tr>
<td>United States</td>
<td>11.5</td>
<td>-3.8</td>
</tr>
</tbody>
</table>

In short, the more we narrow our focus to the countries that are of most concern to the critics, the more problems their argument faces. The statistical evidence from across a large sample of Western democracies provides no support for the critics, but if we narrow our focus to the Anglo countries, the evidence actually contradicts the charge.

*Summary*

The cumulative weight of the statistical evidence is clear. While specific indicators for specific groups occasionally move in the direction predicted by critics of MCPs, there are at least
as many indicators moving in precisely the opposite direction; and the most comprehensive measure of the social role of the state, the redistribution measure, consistently favours the strong-MCP group. Moreover, for most of our measures, variation within groups is similar to variation in the sample as a whole. The bottom line is that there is no evidence of a consistent relationship between the adoption of MCPs and the erosion of the welfare state.

Section 6: Two Case Studies

Critics of our analysis might object that such statistical evidence cannot hope to capture the context and nuance that is important in assessing the relationship between MCPs and the welfare state. We therefore look more closely at the experience of two countries that have adopted MCPs by putting Canada and Belgium under the microscope. Ideally, such case studies would include a detailed analysis of the politics of social policy and the nature of coalitions supporting the WS, to look for evidence of crowding out, corrosive impacts and misdiagnosis. However, this level of microanalysis goes beyond the scope of this paper. Rather, we provide an overview that asks whether there is prima facie evidence of the adoption of MCPs generating a backlash against social programs or undermining the redistributive role of the state.

Canada:
During the postwar era, Canada built its own version of the welfare state, one that combined universal public health care with substantial income transfer programs. While the Canadian social policy regime was less extensive than that in many northern European countries, it did represent a more ambitious social role for the state than that prevailing in its giant neighbour to the north. Starting in the 1970s, Canada also adopted a strong set of MCPs.32

There is no question that in recent decades the Canadian welfare state has been under substantial pressure, and a long series of incremental policy changes have restructured and in some cases weakened social programs. The sources of these pressures have been diverse: globalization, technological change, the aging of the population, the fiscal weakness of Canadian governments in the 1980s and early-mid 1990s, a resurgence of conservative doctrines in political discourse, and so on. In all of this, the Canadian story is a variant of the experience of western nations generally. It is hard, however, to find evidence that MCP has been a powerful contributor to cuts in the welfare state. The story is the same whether one looks for evidence of a powerful and sustained backlash against MCP, or for signs that the adoption of MCP has injected inter-communal conflicts into the heart of social policy discourse, or for evidence that there has been an overall weakening of social redistribution in the country.

As in all pluralist polities, MCPs are subject to active debate and contest. But there is little evidence of a sustained backlash against MCPs undermining political forces committed to the welfare state. At the level of public opinion, polls have shown that support for the multiculturalism policy in Canada has remained fairly stable between 55-70%.33 Moreover, a

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32 For a discussion of MCPs in Canada, see Kymlicka 1998, chaps. 1-8, especially chap. 3, which lists 13 specific MCPs.

33 The most systematic polling data on support for MCPs in Canada is in Angus Reid 1991. For information about other polls, see Reitz and Breton 1994: chap. 2; Driedger 1996: 261-3; Ekos 1996; Canadian Issues 2002: 4-5. Barry claims that most Canadians oppose the policy. He bases
recent analysis of the relationships between ethnic diversity, trust and support for social redistribution finds that, although increasing ethnic/racial diversity does have negative implications for levels of interpersonal trust, there is no relationship with measures of support for the welfare state (Soroka, Johnston and Banting 2002).

The restructuring of the party system points in the same direction, although the story is more complex. During the 1970s and 1980s, there was a broad multi-party consensus in favour of MCPs in Canada. During the 1990s, however, a rather inchoate resentment against Quebec, immigration and aboriginal claims did emerge in certain parts of the country during the early 1990s, and was one factor fuelling the sudden emergence in 1993 of the Reform Party, a populist, neoconservative party based largely in the west. There is no question that this process injected a more radically conservative voice into Canadian politics and social policy discourse. However, the rise of Reform also split the political right into two parties, Reform and the historic Conservative Party, with the result of significantly reducing the right’s chances of electoral victory. Moreover, popular disgruntlement with multiculturalism eased as the decade progressed, and Reform found itself encumbered with an image of ethnocentrism that was a major handicap during subsequent elections, especially in the populous regions of central Canada. As the party struggled to establish itself, it changed its name, muted its criticism of multiculturalism and increasingly supported the main lines of immigration policy. In addition, the party now has significant representation of people of colour in its parliamentary caucus. Throughout all of this turmoil and restructuring, the centrist Liberal Party reigns supreme, without serious electoral threat from a divided right.

Nor is there evidence that the adoption of MCPs has injected inter-community conflicts into the heart of social policy discourse. Welfare recipients and the poor more generally are not socially distinctive in Canada: they do not stand out in linguistic, ethnic or racial terms. Although newly arrived immigrants receive settlement services and language training, most immigrant communities have integrated economically, achieving average incomes comparable with, if not higher than the Canadian average. Aboriginal peoples do suffer strikingly high levels of economic and social distress, and are heavily dependent on social transfers. In the main, however, their problems are addressed through separate programs, and do not infuse debates on this claim on a single poll result from 1993. According to Barry, “nearly three-quarters of respondents [in this poll] rejected the idea that Canada is a multicultural nation”, and he asserts that this “amounts to a direct repudiation of the Canadian Multiculturalism Act” (Barry 2001: 292). This is a misreporting of the poll, which did not ask Canadians whether they approved of either the policy or the principles it is based on. The results of this poll are consistent with other polls showing that most Canadians want immigrants to adopt Canada’s liberal-democratic values and to learn an official language, but within these two constraints support the idea of accommodating diversity through MCPs. The public’s insistence on these two constraints – adopting liberal-democratic values and learning an official language – does not contradict the principles of the Multiculturalism Act. On the contrary, these two constraints are explicitly included in the Act, as guiding principles of the policy.

34 There is some initial evidence that immigrants in the 1990s did not integrate economically as well as in the past. If this pattern persists despite the recent strengthening of the economy, the political dynamics might change.
about mainstream social programs. As a result, the dominant public perception of the poor does not have a distinctive racial or ethnic hue.

The pattern is similar when one examines the accommodation of Quebec nationalism. Successive efforts to reconcile Quebec and Canada through constitutional reforms during the last quarter century were intense, exhausting and often divisive. But they did not shake the underpinnings of the Canadian welfare state. Federal institutions have played an important role in the evolution of the Canadian welfare state from the beginning, and it is possible to argue that the complexities of federalism did limit the development of a more ambitious social policy during the postwar years (Banting 1987). But the constraints inherent in decentralized institutions have not been rooted primarily in resistance to transfers between language communities. Certainly, it is hard to find examples in the last twenty years of efforts to cut social programs that were driven primarily by anti-Quebec sentiment. Dependence on social benefits is not significantly higher in Quebec than elsewhere, and is certainly lower than in Atlantic Canada, the poorest region in the country. Not surprisingly therefore, the regional politics of retrenchment in programs such as unemployment insurance have tended to pit the federal government against political representatives, not just of Quebec, but of the Atlantic provinces as well. A similar pattern pervades debates about the inter-regional transfers designed to equalize the capacity of rich and poor provincial governments to provide public services. Such inter-regional transfers have become controversial in many federations. But attacks on the Canadian equalization program seem no more intense than criticisms of the equivalent program in, say, Germany. More importantly, such criticism as does exist is not aimed primarily at Quebec. When the conservative premier of Ontario, one of Canada’s richest provinces, recently criticized the equalization program for encouraging dependency in poor regions, his target was Atlantic Canada, the part of the country with the lowest presence of immigrant, national and indigenous minorities.

Nor is it easy to interpret debates over decentralization of social policy simply as covert efforts to reduce inter-communal redistribution. As in most systems of multi-level governance, there has been an active debate over decentralization in Canada, and some movement in that direction has taken place. However, the case for decentralization has been led by Quebec, which is a modest beneficiary on a per capita basis of inter-regional redistribution; and decentralization of authority over programs tends to be accompanied by adjustments in financial transfers to compensate for the differing fiscal capacity of provincial governments. While decentralization can be advanced as a method of reducing inter-communal redistribution, as we shall see in the case of Belgium, the Canadian case indicates that it is not a uniform pattern.

Finally, the evolution of Canadian social policy over the last twenty years provides no

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35 An exception may be over-representation of urban aboriginals in welfare caseloads in some western cities. It is revealing, however, that little is known about this question.

36 Barry argues that one of the reasons Canada does as well as it does is that Canadians as a whole have rejected proposed constitutional reforms that would have extended and entrenched the MCP approach (Barry 2001: pp. 313-14). Whatever the validity of this claim, it does not reduce the extent to which Canada is a strongly MCP country in practice.

37 One exception came during the 1997 election when the platform of the Reform Party proposed a revision of the equalization program which, if adopted, would have removed Quebec from the list of recipient provinces. However, the implications for Quebec were not made explicit, and the proposal was largely ignored during the campaign. Banting 1999: 127.
support for the proposition that the adoption of MCP significantly erodes the welfare state. As the tables discussed in the previous section confirm, there is little evidence of a serious erosion of the social role of the Canadian state. Because Canada began to develop its MCPs in the area of immigrant minorities in the early 1970s, before the period covered by our comparative data, it is worth looking at social redistribution over a longer time period to make sure that damage had not already been done by 1980. Figure 1 speaks to this question. Market inequality was relatively stable in the 1970s and then, as in many countries, rose in the 1980s and 1990s. But the distribution of total income, which includes government transfers, and income after taxes have remained remarkably stable, with a slight growth in inequality in the second half of the 1990s fading in 1999. It is worth noting that inequality in 1999 was slightly lower than in the early 1970s, when Canada began to develop its MCP. This is a record few western countries can claim. Moreover, there is little evidence of attempts to exclude minorities from social programs: there has been no lengthening of residency periods for immigrants seeking to qualify for support; funding for aboriginal programs rose rather than fell during the economically difficult decade of the 1990s; and inter-regional transfers suffered fewer cuts than many other public programs.

In short, Canadian experience does not support the proposition that the adoption of formal MCPs erodes the welfare state. Historically, relatively decentralized federal institutions, themselves part of a strategy to accommodate Quebec nationalism, may have constrained the scope of welfare state development during the postwar years. But the record of the last twenty years suggests that it is possible to combine strong multicultural policy and commitments to social redistribution established in earlier times.

**Belgium:**

Although the Belgium case reveals a different interaction between MCPs and the welfare state, the conclusion is broadly similar. The transformation of Belgium from a unitary to a federal state is one of the most dramatic efforts to accommodate substate nationalism in western democracies. In this area, Belgium stands as a strong exemplar of the MCP approach. Moreover, there is no question that social policy debates are increasingly defined in inter-communal terms. In terms of historical development, however, it is clear that the growth of substate nationalism precipitated these changes, and that the restructuring of both institutions and discourse was the result, not the cause of inter-communal tensions. As we shall see, it is possible to argue that federal institutions, once in place, reinforce the inter-communal nature of social policy debates. But there is little evidence that such efforts have actually contributed to the erosion of the welfare state itself.

Belgium was born as a unitary state on the French model in 1830, and remained highly centralized during the period in which it built the basic planks of its comprehensive welfare state. The universal system of social security system provides high-quality health care and income protection from major social risks, financed primarily through social security contributions, and managed jointly with the “social partners,” representatives of business, labour and professional groups. The system that had emerged by the beginning of our time period was comparatively generous, with total public social spending as a proportion of GDP in 1980 among the highest in the OECD.

This centralized polity came under immense strain as a result of the rise of Flemish nationalism. The integrated party system gave way to communal systems; and four major waves of constitutional reform in 1970, 1980, 1988 and 1993 transformed Belgium into a complex federal state, with substantial powers exercised by three Regions and three Communities, each
with its own parliament and government. The Regional governments take responsibility for territorially-based issues, such as infrastructure, urban planning, the environment and economic programs, while the Communities are responsible for linguistically-sensitive matters such as education, broadcasting, cultural policy and tourism. Belgium now stands as a relatively decentralized federation.

The welfare state stands as an exception to this pattern, remaining highly centralized. Social security, including income transfers and health care, is the largest and most important function still lodged with the central government, and social programs involve a significant implicit transfer of resources from Flanders, the affluent Flemish-speaking region in the north of the country, to Wallonia, the poorer French-speaking region in the south. Policy-making within the central government is subject to the exacting *concertation* mechanisms that characterize Belgian corporatism. Major policy decisions require the consent of federal representatives from both language communities, as well as the social partners who are also bi-national in character. As a result, changes in social security programs require high levels of consensus among both linguistic blocs and social groups.

Despite this consultative tradition, the highly centralized nature of social policy has come under powerful pressure, and the politics of bi-nationalism have clearly infused social policy discourse in the last decade. During the 1990s, Flemish nationalists demanded that important social programs, especially health care and family benefits be decentralized. This demand sprang from two concerns: a desire to design social policy more fully in light of Flemish priorities and preferences; and a desire to reduce inter-communal transfers. Tensions over inter-regional transfers have been particularly intense in Belgium. Studies during the early 1990s pointed to an “income paradox:” although earnings were higher in Flanders, the disposable income available to citizens after taxes and social security benefits were taken into account appeared to be higher in Wallonia, suggesting that redistributive mechanisms were overcompensating for inter-communal inequalities. Not surprisingly, Flemish politicians objected, with more radical nationalists asserting that Flemish taxes had, in effect, bought each Wallonian family a new car in recent years. Although subsequent studies suggested that the income paradox disappeared after the early 1990s, the politics lingered. More recently, evidence suggested that per capita consumption of public health care was significantly higher in Wallonia than in Flanders. In part, this pattern reflected demographic and economic factors (more elderly and more unemployed people), but it also reflected heavier reliance on diagnostic tests and specialist services for the same medical problem (Van Parijs 1999). Flemish commentators quickly objected to subsidizing what they saw as expensive cultural preferences in Wallonia.38

In 1996, the Flemish Parliament began to prepare for a new phase of constitutional reform, by endorsing nationalist proposals in principle and setting studies in motion. In the run-up to the 1999 federal election, it demanded that health care and family benefits be decentralized. Despite considerable political investment in the cause on the Flemish side, however, the proposals have been blocked by determined resistance from Wallonia. Political leaders from that community fear that decentralization, especially without alternative forms of inter-regional transfers, would weaken social protection in their region. They also fear that removing such a key

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38 Once again, later studies suggested that early reports overstated the differences between Flanders and Wallonia, and that differences between urban and rural areas (and especially between Brussels and the rest of the country) were far greater. See de Cock 2002.
function from the central government would also erode the bonds of social solidarity among Belgians more generally, and put the survival of the Belgian state itself at risk. Because constitutional changes in Belgium require a two-thirds vote in the federal Parliament, and therefore a bi-national consensus, Walloon objections have prevailed. The issue was not resolved, as many Flemish politicians had hoped, by the 1999 election, and consensus on the issue remains elusive (de Cock 2002).

Thus the Belgian case does reveal inter-community conflict over social policy. Moreover, it is arguable that the new institutions of Belgian federalism reinforced the intensity of debates. The existence of a Flemish Parliament created a venue for the development and expression of decentralist proposal, and political leaders in the Flemish parliament were more committed to decentralization than their Flemish counterparts in the federal parliament, whose fundamental role requires a continuous effort to fashion inter-communal compromises with Walloon leaders. Federal institutions are obviously not the primary cause of inter-communal conflict in Belgium, but the redesign of federal institutions probably has accentuated the definition of social policy discourse in inter-communal terms.

The Belgian case suggests that stories about crowding out, corrosion of solidarity and misdiagnosis do not capture all of the dynamics in this area. The Belgian story is not a story of crowding out; nationalists have focused on social programs with intensity. It is a story about the corrosion of a pan-Belgian sense of community and related political organizations, such as the old party system. But this transformation was driven by the power of nationalist politics, and the adoption of federal institutions was probably the only way in which Belgium could persist as a single state. Once federal institutions were in place, they contribute to the definition of social issues in inter-regional terms, a pattern found in a number of multination federations. Unlike in Canada, however, there are no other regional voices to diffuse the bi-national discourse.

Thus when attention focuses on the nature of discourse, institutional change reinforced the definition of social issues in inter-communal terms. However, when attention shifts to policy outcomes, the measure adopted in this paper, the Belgian case does not support the argument that the adoption of an MCP approach has led to the erosion of the welfare state. Health care and family benefits remain central responsibilities. Social spending as a proportion of GDP has remained stable for the last two decades. And although indicators of inequality have crept up marginally, the increase is well within the range of many countries in the OECD.

Summary:
More qualitative analyses do reveal more complex and nuance interactions between MCPs and the welfare state. But the broad conclusions here are consistent with the weight of the statistical data. There is no evidence here that the adoption of MCPs consistently weakens the welfare state. The Canadian case shows that strong MCPs can be adopted without “ethnicizing” debates over the WS; the Belgian case shows that even when MCPs do lead to an ethnicizing of social policy debates, they do not necessarily erode the WS more than elsewhere, and may indeed be the only way to protect the state from splitting up entirely.

39 In addition, the decentralization agenda generated some unease within the Flemish Socialist Party. Although it supported decentralization, it insisted that reform be done in ways that preserve social solidarity (Banting 1999, p. 124).
Section 7: Summary and Reflections

To return to our original question, do multiculturalism policies erode the welfare state? The evidence in this paper is clear. There is no evidence that countries that have adopted strong MCPs have seen erosion in their welfare states relative to countries that have resisted such programs. This result is not surprising. Students of social policy established long ago that the social role of the state is rooted in core features of the political economy of each country. As we have seen, when explaining levels of social spending, analysts have turned to such factors as economic growth, the openness of the economy, unemployment levels, the age structure of the population, the religious complexion of the country, the strength of organized labour, the ideological position of historically dominant political parties, and the structure of political institutions. There are hints that the level of ethno-linguistic diversity should be added to this list; and certainly federalism and decentralization, one instrument for the accommodation of sub-state nationalism, turn out to be negatively associated with social expenditures. But in comparison with such core structural factors, it would be surprising if MCPs generally proved to be a powerful factor. Undoubtedly, our analysis has limits, and we hope it stimulates further research, including the inclusion of MCP status in general models of change in the welfare state. Nevertheless, the preliminary evidence marshaled here is clear: the case advanced by critics of MCP is not supported.

Conclusions flowing from cross-national analyses do not necessarily apply with equal force to individual countries. We acknowledge that there may well be individual cases in which there is a tension between MCPs and the welfare state. In particular, the U.S. is a complex case. Certainly, the politics of race have played a corrosive role in the politics of social policy in that country, and it is not surprising that many of the examples advanced by critics of MCPs come from American experience. However, we would advance two qualifications. First, it is important to distinguish between the impact of race and the impact of MCPs on the politics of social policy in the US. Second, it is important not to generalize from US experience to other contexts.

Race is a thread running through the history of the US social programs long before MCPs. During the passage of the Social Security Act in 1935, resistance from southern congressmen and other conservatives led to the exclusion of agricultural and domestic labourers, denying coverage to three-fifths of black workers; and southern congressmen led a successful campaign in the name of “states’ rights” against national standards in public assistance, leaving southern blacks at the mercy of local authorities (Quadagno 1988; Orloff 1988). In the 1960s, racial politics swirled around Aid to Families with Dependent Children (AFDC) and the Great Society programs. As welfare rolls expanded and new poverty programs were put in place, the profile of the poor became racially charged. Black families represented close to half of the AFDC caseload and Hispanic groups were increasingly over-represented. Resentment against these programs did help fracture the New Deal coalition and the base of the Democratic Party. White union members, white ethnics and southerners deserted their traditional political home, especially in presidential elections, in part because of its image on race and welfare issues (Skocpol 1991). The effect was so powerful that the Democratic Party sought to insulate itself in the 1990s by embracing hard-edged welfare reforms, including the 1995 reforms signed by President Clinton. In this context, it is not surprising that MCPs in the 1980s and 1990s were swept into a toxic social politics. But the racialization of US social policy was well established before then, and it seems inappropriate
to lay the blame for the fragmenting of pro-welfare state coalitions solely or primarily at the feet of MCPs. That whites are reluctant to support welfare policies that disproportionately benefit blacks and Hispanics is a well-established factor in American history: we have seen no evidence to suggest that adopting MCPs has exacerbated that regrettable trend, or that this reluctance would somehow have disappeared or lessened in the absence of MCPs. In addition, it is important not to extrapolate from the distinctive politics of race in the US to other contexts.

How to maintain and strengthen the bonds of community in ethnically diverse societies is one of the most compelling questions confronting Western democracies. The growing diversity of Western societies has generated pressures for the construction of new and more inclusive forms of citizenship and national identity. The evidence in this paper suggest that debates over the appropriateness of multiculturalism policies as one response to this diversity should not be preempted by unsupported fears about their impact on the welfare state.

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40 As noted earlier, several analysts have noted the role of race and ethnicity in explaining differences in social expenditures across cities and states within the US. In the spirit of this paper, it would be interesting to expand this analysis by attempting to distinguish between ethnic diversity and MCPs in explaining variations in social spending within the US.

41 William Galston, who served as a domestic policy advisor to Bill Clinton, has responded to Barry’s claim that multiculturalism has eroded the welfare state in the United States by saying that “as a piece of serious political analysis, it is a fantasy”, and “doesn’t survive cursory inspection” (Galston 2001). According to Galston, the roots of the weakness of the American welfare state, including its racial dynamics, are independent of, and lie far deeper than, MCPs.
APPENDIX ONE: MEASURES OF TRUST AND SOCIAL REDISTRIBUTION

Trust
Data on trust come from the World Values Survey, which has been conducted in multiple waves in a growing number of countries, with 43 being involved by the early 1990s. (For more on the World Values Survey, see Inglehart, Basanze and Moreno 1998). The trust variable measures the level of general interpersonal trust, rather than trust in particular institutions or social groups, and is drawn from responses to the question: “Generally speaking, would you say that most people can be trusted or that you can’t be too careful in dealing with people.” The figures for 1981, 1990 and 1995-97 in Appendix Two represent the percentage of respondent who provide “trusting” responses to the question. Figures for “change” in Tables 1-3 are the change in the response between 1981 and the latest observation for each country as a percent of the 1981 level.

2) The Welfare State and Redistribution:
This paper employs four indicators of the strength of the welfare state and redistribution in countries: public social expenditures as a percent of GDP; the redistributive impact of government taxes and transfers; the child poverty rate; and the level of income inequality. Data for public social expenditures as a percent of GDP are from the OECD Socx data set, and can be obtained from www.oecd.org. Data on the three other measures are from the Luxembourg Income Study (LIS), a cooperative research project that has established a collection of household income surveys from countries around the world. The LIS team harmonizes and standardizes the micro-data from the different surveys to facilitate comparative research. Because the original country surveys were conducted in different years, LIS-based research normally compares countries in 5-year periods (early 1980s, late 1980s, early 1990s, etc), a practice followed here. More information on the LIS database can be found at www.lisproject.org.

The four specific measures employed in this paper are calculated as follows:

a) Public social spending as a % of GDP: In general terms, public social expenditure includes expenditures on health, income transfers and social services (but not education). In specific terms, the category includes: old age benefits, disability cash benefits, occupational injury/disease benefits, sickness benefits, services for elderly and disabled people, survivors, family cash benefits, family services, active labour market programs, unemployment benefits, health, housing benefits and other contingencies. Appendix Two provides the basic levels of public social expenditures as a percent of GDP for 1980, 1990 and 1998. The figures for “change” in Tables 1-3 measure the change between 1980 and 1998 as a percent of the 1980 level. There has been no adjustment for the extent to which “public social expenditure” includes above-average benefits and services for minorities that formed part of the classification scheme for strong/modest/weak MCP. However, given the size of the communities involved, it is doubtful that collinearity between the two variables is a significant problem.

b) Redistribution: This measure captures the extent to which inequality in market incomes is reduced by government taxes and transfers. Following the approach normally employed by LIS researchers, the measure is the difference between inequality in market income (MI) and inequality in disposable income (DPI), which takes account of taxes and
transfers, expressed as a proportion of market income. The formula is: the gini for MI minus the gini for DPI divided by the gini for MI. Figures for specific periods in Appendix Two (e.g., the 1980s) are for this measure of redistribution. Figures for “change” in Tables 1-3 are the change in this redistribution measure between the two periods as a percent of the earliest period.

LIS advises that the LIS data for France in 1981 are from the CERC Survey of Women with Children and are not a representative sample. Measures for the “early 80s” for France therefore come from the 1984 data. LIS also warns that the data for MI for Italy and Belgium (1985 and 1988) data are really for net income and incorporate the effects of taxes. As a result, market ginis are lower and redistribution is underestimated in those years. (Communication from David Jesuit of LIS). This complication does not affect the data for DPI that are the basis of the inequality measure discussed below in (d). We are indebted to Vince Mahler, Jonathan Schwabish and David Jesuit for assistance in clarifying the data, and especially to Vince Mahler for sorting out technical problems associated with “zero” DPI responses and for sharing his data with us.

c) **Child Poverty Rate:** In the LIS database, the poverty line is set at 50 percent of median adjusted disposable income for all persons. Appendix Two reports the child poverty rate, defined as the percentage of all children in poverty, for specific periods (e.g., the early 1980s). The figures for “change” in Tables 1-3 are the change in the rate of child poverty between the earliest and latest data available for each country. In this calculation, a change from a child poverty rate of 6% in the earliest period to 8% in the latest period is a change of 2.

d) **Inequality:** Data on inequality are for disposable income for all households, the LIS aggregate income variable labeled DPI. This measure includes both market income and the effects of taxes and government transfers. Figures for specific periods in Appendix Two (e.g., early 1980s) are gini coefficients, a measure of inequality in which the higher the number, the greater the level of inequality. Figures for “change” in Tables 1-3 are the percentage change in the gini coefficient for the earliest and latest periods available for each country (i.e., the change between the earliest and the latest gini coefficients expressed as a percent of the earliest gini coefficient).

3) **The Sample of Countries:**
Countries included in the analysis are western democracies, and had democratic political institutions throughout the period under study (1980s to late 1990s). The primary limitation on inclusion in the sample was availability of data. Only countries for which data was available for at least two of the five measures were included, and as a result Greece, Portugal and New Zealand are not included.
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Table 1: MCPs and Immigrant Minorities: Change in Trust and Social Redistribution

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<th>Category</th>
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Standard Deviations

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Figure 1. Inequality in Canada, 1971-1999: gini coefficients

Source: Statistics Canada
## Appendix Two: MCPs and the Welfare State: Levels of Trust and Social Redistribution

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