

How Does Decentralisation Affect the Welfare State? Territorial Politics and the Welfare State in the UK and US

SCOTT L. GREER

University of Michigan School of Public Health, Ann Arbor, Michigan
email: slgreer@umich.edu

Abstract

The relationship between political decentralisation and the welfare state is much studied, and large-scale studies have repeatedly found that decentralised states have less generous welfare states. How do we fit that with other studies that emphasise the potential of decentralisation to raise welfare standards? This article argues that decentralisation, as a variable, is too broad and it is more efficient to focus on the structure of veto players in the central state, intergovernmental relations and intergovernmental finance. Those are the actual mechanisms that connect decentralisation to the welfare states, and they can all vary independently of decentralisation. It uses recent changes in the United States and United Kingdom as examples. The fragmentation and average weakness of the US welfare state is mostly due to a federal government riddled with internal veto points that permits considerable interstate variation and low overall average provision, while tight central control on finances in the UK means that most variation is in the organisation, rather than levels, of social services.

Introduction

In 2007, two British scholars wrote about consequences for ‘social democracy’ of devolution, that is, the development of autonomous governments for Northern Ireland, Scotland and Wales. Their differing views capture two different understandings of the relationship between welfare states and territorial politics, not just in the UK but also around the world. First, Vernon Bogdanor:

For social democrats, only a strong centralised state could evaluate the needs of different social groups and ensure that redistribution was effective. But devolution would fragment the power of the centralised state and cut it into pieces. There could not, in the ideology of social democracy, be a separate Scottish or Welsh political will; for the problems of securing equality in Scotland or Wales were no different in nature from the problems of securing it in England. Those problems should be resolved not by establishing toy-town parliaments in Edinburgh and Cardiff, but only by a strong social democratic government at Westminster. (Bogdanor, 2007: 178)

Contrast Michael Keating, writing in the introduction to his *Scottish Social Democracy*:

The Thatcher and Major governments, which never enjoyed even a plurality of support in Scotland, were widely seen as violating not just the welfare tradition of the post-war years but also deeper conceptions of community and solidarity embedded in Scottish self-understandings. As England moved towards the combination of neo-liberalism and social authoritarianism known as Thatcherism, Scotland appeared to be a bastion of social democracy . . . in Scotland social democracy was underpinned by a revived and repoliticised national identity. (Keating, 2007: 9)

A decade after the 1998 devolution legislation, there is still significant debate about whether it was good or bad for social democracy – or at least the welfare state.¹ Did it undermine UK-wide social citizenship and social democracy, or did it create the opportunity for Northern Ireland, Scotland and Wales to develop their own, possibly superior, welfare provision?

That the debate is not settled should not be much of a surprise, given that this UK debate parallels a larger debate in comparative politics about whether territorial decentralisation is good or bad for the generosity of welfare states. The debate is broadly between cross-national studies that find decentralised states have lower welfare state provision than centralised ones, and scholars focusing on the achievements and potential of regional governments in developing distinctive and possibly more generous welfare states in their territory. It is usually presented as a simple difference in perspective: is the topic of interest, the ‘sharing community’, the UK or Scotland? (Banting, 1999) If it is the UK, then expanded social rights in Scotland might be a blow to social citizenship; but if it is Scotland, then they might be seen as a good thing.

The debate over the sharing community is one conducted in public, often with high stakes. Welfare states are a key element of nation-building and social citizenship is a major part of citizenship itself (e.g., Greer, 2009). As a result, political competition between different governments shapes and uses welfare states. On the one hand, central governments can and do put themselves forward as the guarantors of countrywide standards, as with the German and Spanish framework laws, the Canada Health Act or UK Prime Minister Gordon Brown’s repeated references to ‘the’ NHS as a key component of UK citizenship. On the other hand, nationalist parties mobilise social policy: both arguing for distinctive approaches, and using their autonomy to develop distinctive levels and kinds of provision (Béland and Lecours, 2008; Ferrera, 2005; McEwen and Moreno, 2005). Both arguments about the welfare state and arguments about regional autonomy or secession are arguments about the desirable size and nature of the state, and it is unsurprising that governments seek to gain control over, and credit from, their welfare spending.

This article argues that the debate is not just about philosophy and perspective. It is not just about one’s preferred form of solidarity. There is also

an analytical problem: decentralisation is much too imprecise a variable for any but the largest-scale studies.

The article begins by identifying two different kinds of argument about the connection between decentralisation and the welfare state. One type focuses on veto players relevant to the central state, and the other focuses on the effects of autonomous policy-making by different jurisdictions. The problem with both kinds of argument is that no particular number of veto players or level of regional autonomy necessarily comes with the mere fact of decentralisation.

But by specifying the mechanisms – veto players and regional² policy divergence – they also show a way beyond the simple correlation of decentralisation and welfare state effort. These mechanisms shed more light on social policy than the simple fact of decentralisation. They also explain why it is possible to find cases of decentralisation being seen to promote welfare standards. The article then uses the UK and the United States as examples of how looking at the specific institutions, rather than simple ‘decentralisation’, does a better job of explaining the actual relationship between territorial decentralisation and the welfare state.

Pointing out the importance of specific institutional configurations is not new to the study of territorial politics and welfare, and existing accounts highlight their complexity and importance (Greer, 2009; Obinger *et al.*, 2005b; Pierson, 1995; Simeon, 2006; Swenden, 2006; Wincott, 2006). The contribution of this piece is to use the mechanisms identified in the much larger literature about decentralisation and the welfare state to better specify *how* decentralised political institutions affect the welfare state. It focuses, like the literature it discusses, on decentralised political institutions. Political institutions often have independent effects, ones that can be analysed and understood, even if political, partisan, social and intellectual factors are often what explain policy (for example, France, 2008). They are often intertwined with, and clearly explained by, deeper issues of territorial politics: a federal system often reflects a federal society in which power and preferences are territorially fragmented (Livingston, 1952). The challenges of coexistence in diverse, multinational states, and pressure from elites and political leaders in stateless nations, largely explain federalism in the UK, Canada, Spain, and many other countries (Stepan, 2004). This gives the whole federalism literature an endogeneity problem (Rodden, 2006). But even if a state is decentralised for excellent reasons, the question still remains: what – if any – price do decentralised states pay in social citizenship? Does decentralisation stand or fall entirely on its ability to manage regional and national conflict, or does it also have predictable effects on the welfare state?

Veto players, competition and autonomy

The argument that centralisation enhances the size of the state is one of the oldest and best-established propositions in the comparative public policy literature. (Castles, 1999: 30)

The cross-national quantitative evidence on the welfare state is consistent: decentralised countries have lower levels of welfare state provision than centralised ones (Cameron, 1978; Castles, 1999; Hicks, 1999; Hicks and Swank, 1992; Huber *et al.*, 1993, Swank, 2001; Wilensky, 1975: 75). There is also gathering evidence that it impedes retrenchment: that decentralised states are also less able to reduce welfare expenditures (Simeon, 2006; Jordan, 2009). But why exactly is that? And what is it that some scholars are picking up when they discuss ways in which decentralisation can enhance the welfare state?

This section discusses the two basic approaches to the effect of decentralisation on welfare states: first the veto players argument and then the autonomy argument. Each provides distinct mechanisms that would connect territorial politics to state-level welfare outcomes. The problem is that the mechanisms are only loosely associated with the fact of territorial decentralisation. So if we are to understand the effects of decentralisation at any but the most macroscopic level, it is probably more efficient to concentrate on the mechanisms specified by each argument: veto players and territorial divergence, respectively.

Veto players

One approach, most common in cross-national quantitative work, focuses on impediments to state-level legislation. Whether they use the term or not, the concept explaining the relationship between decentralisation and the welfare state is usually the same: veto players (Tsebelis, 2002), although some call it 'institutions' or 'institutional fragmentation' and roll it into a composite variable with variables such as the presence of bicameral legislatures (Brooks and Manza, 2007: 43; Huber *et al.*, 1993: 735–7; Huber and Stephens, 2001: 2; Swank, 2002: 35). The argument is simple: federal states have more institutional veto players (groups that are capable of blocking legislation). This empowers opponents of welfare state growth and perhaps all welfare state change.

Studies of major welfare state legislation tend to back up this argument: Canada, the United States and Switzerland all show clear evidence that large numbers of veto players were major obstacles to both small and large expansions of the welfare states (Immergut, 1992; Maioni, 1998; Quadagno, 2005; Tuohy, 1999). Indirectly, federal states can shape both electoral systems and party politics in ways that fragment politics and slow legislation (for example, Gibson, 2004; Skocpol, 1995: 23–6).

The problem with this argument is that the number of veto players in a state can obviously vary independently of its territorial organisation. Switzerland's referenda, the major obstacle to welfare state expansion that Immergut identifies, are not a function of its federalism. The states as corporate actors (as against electoral circumscriptions) have not had a formal role in United States federal legislation since the Seventeenth Amendment to the Constitution made the

Senate a directly elected body in 1911. The veto points in the US federal government are elsewhere – in the separation of powers within the federal government. Nothing in the vast literature explaining why the US lacks universal health care makes the role of the states a major explanation. Instead, scholars focus on the multiplicity of veto players within the federal government (Hoffman, 2006).

So rather than simply count federalism and decentralisation as expansions of the number of veto players, it is better to bypass them and ask directly: how many veto players are there for the relevant level of policy-making, and where are they? They might be regions or federal states, but they might be courts or legislatures as well. Regions will only be veto players if they are ‘built into’ the central state: that is, given their own formal representation and veto capacity (Watts, 1999). Of course, in many policy areas they control necessary resources or are governed by parties with statewide power, giving them informal veto capacity. If they are not veto players, then they might make government more complex but should not explain why a given central state adopts a particular level of welfare provision. Coding federalism as a simple veto player obscures more than it reveals.

Autonomy

The second approach focuses on the uses that decentralised jurisdictions can and do make of their autonomy. Decentralisation permits greater divergence in standards, with regions able to go above and below the level of provision that a unitary government might provide (Béland and Lecours, 2008; McEwen, 2006; McEwen and Moreno, 2005). In other words, decentralisation produces divergence. This argument can be used in both directions: either arguing that parts of a state can have higher standards (which would raise standards for at least those parts, and might start races upward) (Cameron, 1978: 1253; McEwen, 2006; Moreno, 2001), or arguing that the state is the relevant community, and that community is divided by different standards and is less able to redistribute (Alesina and Glaeser, 2004: 78). It is the divergence between Bogdanor and Keating quoted above, and is easy to see in the many arguments from the 1990s that devolution to Scotland and Wales would permit them to have a superior or at least stable welfare state in the face of attacks by Conservative governments with only English majorities (Béland and Lecours, 2008).

The problem is that the actual ability of regional governments to vary in their levels of provision is itself highly variable. Federalism scholars have a number of terms for the degree to which states and regions constrain and support each other, differentiating between ‘competitive’ and ‘cooperative’ federalism (Watts, 2006), or ‘centralised’ and ‘decentralised’ (Lijphart, 1984: 176–7) or ‘interstate’ and ‘intrastate’ federalism (Obinger *et al.*, 2005a). But it can be useful to go a step further down for some more specific variables: laws and money (Banting

and Corbett, 2002; Greer, 2006). First, regions can be legally constrained (Poirier, 2001). Basic laws such as those found in Germany and Spain, for example, require certain standards and even procedures of the regional governments.

Second, they can be financially constrained (Watts, 2000). They might not have the money to spend. The most common presentation of this argument comes from the economics of fiscal federalism and uses a line of reasoning that originated with Charles Tiebout (Oates, 1999; Tiebout, 1956). It basically argues that governments compete for business by offering a product (their services) at a price (their taxation). Its practical consequence is that decentralised fiscal arrangements can impede egalitarian welfare policies. That is because governments will be forced to compete for the more footloose taxpayers, and governments with large burdens can find themselves in a vicious circle of service cuts, tax increases and capital flight. Miserable cities in the United States such as Detroit or Saint Louis, ringed as they are by attractive and low-tax suburbs, are monuments to this 'free enterprise in government' (Wilensky, 2002: 93).

But 'Tiebout traps' are by no means universal, and literature that implies that they are is literature that is too focused on the United States. That is not just because other factors affect the economics of a locale (neither a natural resource nor a city centre is portable). It is fundamentally because the nature and extent of intergovernmental competition and the connection of governments with any particular tax base are contingent on intergovernmental finance systems. The financial system determines the dependence of any one government on any tax base. The most common mechanism, present in every rich decentralised country but the United States, is territorial equalisation, with a formula allocating funds to governments in order to enable them to provide more equal services (the United States operates some forms of grants that have a similar effect at times). German inter-regional equalisation, underpinned by a constitutional provision, substantially reduces the consequences of fiscal migration by taxpayers from Hamburg and Bremen to Lower Saxony, avoiding zero-sum competition between the city-states and the surrounding federal state.

Of course, those intergovernmental financial systems can also impose new obligations. So financial limitations, or legal obligations born of financial limitations, can exist because of 'earmarked' or 'ring-fenced' funding that central states require regions spend on certain tasks, or they can exist because regions lack tax-raising capacity and cannot set part or all of their budgets. The sources of money and the legal constraints that come with them constrain and shape welfare policies (Fargion, 2000). For example, Canadian provinces that violate the Canada Health Act lose federal monetary support for their health systems (Maioni, 2002) and US states that do not fulfil co-financing or policy obligations can lose federal funds. In short, legal and financial constraints shape how far regions can diverge, including the extent to which they are exposed to competition.

Summary

Decentralisation is too often used as if it were a single variable. It is not. Instead, it is at best a basket of variables, and at worst a red herring. But if we read closely the arguments explaining its correlation with weaker welfare states, we find that they specify very clear mechanisms that would explain the relationship between decentralisation and welfare spending. So the real lesson of these literatures should be to go beyond simple ‘decentralisation’ or ‘federalism’ and instead look to the mechanisms that they identify:

- the allocation and number of veto players in the central state, which is relevant to territorial politics principally if regional leaders are veto players in central state politics;
- the intergovernmental relations that govern the legal autonomy of the regions;
- and the financial system that constrains regional spending.

The following sections provide two examples of how these three variables illuminate the relationship between territorial politics and the welfare state.

Cases

I use the United Kingdom and United States to illustrate how the effect of decentralisation on welfare state outcomes is shaped profoundly by their specific territorial arrangements. While the three variables should shed light on the question for any decentralised state, the UK and US are particularly good comparators because so much political debate is comparable while so many institutions are different.

The two states pay attention to each other and are united by much policy debate and transfer. But upon examination they are very different, with different basic approaches to welfare and citizenship rights (Conover *et al.*, 1991), and different institutions. Institutionally, they might be the opposite ends of the scale of number of veto points and tolerance for them, as Bagehot once wrote:

The English Constitution . . . is framed on the principle of choosing a single sovereign authority, and making it good; the American, upon the principle of having many sovereign authorities, and hoping that their multitude may atone for their inferiority. (Bagehot, 1867: 220)

The Westminster system is a strong government system that minimises veto players and only accepted political (as against administrative) decentralisation in 1998. The US system started with many veto players (as is laid out in the *Federalist Papers*) and has subsequently multiplied them. In both cases, the territorial arrangement of the state can be connected with its distinctive welfare state – over the historic *longue durée*, but also since 1998.

The examples below in order to show the usefulness of thinking through veto players, intergovernmental relations, and finance rather than just speak of decentralisation. While they are only examples here, finding that veto

players, intergovernmental relations and intergovernmental finance affect both their welfare states has value according to the logic of most-different systems (Przeworski and Teune, 1970; Ragin *et al.*, 1996).

The United Kingdom

The United Kingdom is a Westminster state and EU member with a highly asymmetric system. Northern Ireland, Scotland and Wales, which have a total of about 15 per cent of the population, each have their own elected governments with responsibility for a substantial range of social policy issues, including health, education, local government and social care. The elected governments came into being with 1998 legislation, but the three systems had been administratively and politically distinct long before then (Mitchell, 2006).

Institutional arrangements

The central government, the model Westminster system, has very few veto players. A Westminster government with a majority is very powerful as governments go, with only a generally deferential judiciary and the prospect of a challenge under EU or European human rights law brooking its power. This Westminster government makes social policy for England. The devolved governments have more veto players, which is partly because of strong committee systems, but is principally due to electoral systems that virtually guarantee coalitions or minority government in Scotland and Wales. Explicit rules about formation of the Northern Ireland Executive demand proportional distribution of government seats. Nevertheless, Westminster, the Scottish Parliament, and the National Assembly for Wales (now) all have clear governing and opposition parties and no different branches to check the governing parties. The three devolved administrations are in no sense 'built into' Westminster; they have no formal representation there and no veto power over it.

The legal regime of devolution is, depending on the angle of vision, either very permissive or very constraining. The Northern Ireland, Scottish and Welsh arrangements are not the same; each has its own complex legal framework. The gradations in their powers reflect the differing strength of pro-devolutionist political mobilisation in Scotland and Wales, and the complexities of the peace process in Northern Ireland (this discussion draws on the work of the Constitution Unit at University College London and especially: Hazell and Rawlings, 2005; Trench, 2007). The Scottish Parliament's powers are set out in a 'negative list': the Scotland Act 1998 lists the powers held by Westminster and leaves the rest to Scotland. The Northern Ireland Assembly has a similar arrangement, but is bound into complex relationships with the Republic of Ireland and UK that constrain its politicians' freedom relative to Scotland (Carmichael *et al.*, 2007). The most dramatic constraint on Northern Ireland, of

course, is that devolution was often suspended after 1998. As a part of the peace process, devolution was vulnerable to its problems. During times of suspension, the UK government governed Northern Ireland. Wales has a less stable, more cumbersome, and more constraining, regime in which the National Assembly can make secondary legislation and can receive additional powers subject to Westminster's agreement (Trench, 2006). In most areas of social policy, the lack of primary legislative powers for Wales has not had a major impact; much UK health, education and social policy works through secondary legislation anyway, and to date the (Labour) UK government has agreed to requests for primary legislation from the (Labour or Labour-led) Welsh governments.

The financial system is based on a formula-allocated block grant, set by a 'Barnett formula' that allocates new money to the devolved administrations on an unadjusted per-capita basis, so if another pound is spent in England, the Scots get about 10p added to their block grant. The formula should thereby (very) slowly erode the historically higher per-capita spending in Northern Ireland, Scotland and Wales (Aldridge, 2008; Heald and McLeod, 2002; McLean *et al.*, 2009). They are then free to spend it as they like; Scotland could, within UK law, abolish its NHS and spend the money on roads or culture. The Barnett formula has no legal status and is largely supported by the political difficulty of changing it (although it was changed at the margins in order to keep devolved administrations' spending decisions from violating the UK government's rules about permissible levels of borrowing for running costs). Northern Ireland also has its own social security system, but its benefits are always set at UK levels, and the UK covers any resulting fiscal gap.

This combination of block finance and extensive scope for policy change produced a 'fragile divergence machine' (Greer, 2007): a combination of party systems that spur policy divergence, with institutions that accept divergence but that are vulnerable to breakdown (especially in the case of the very vulnerable financial system). The UK has three elected governments with few serious institutional veto players within their territorial patches and competencies, and one with more internal veto players (Northern Ireland). The financial regime constrains overall spending but not specific budgets, and the legal regime permits considerable variation, especially for Scotland. What is unclear is how stable that system truly is.

Welfare state

The system permits some changes to welfare benefits in the devolved administrations. Probably the largest differences are in higher education (Trench, 2008). No devolved administration followed England in introducing variable tuition fees for university students; higher education remains cheaper at devolved institutions. In health, the 'basket' of services of any NHS system is both expansive and generally ill-defined. The differences have consequently been fleeting – as

with some medicines – or confined to two areas: long-term personal care for the elderly, which is universal in Scotland and means-tested elsewhere (Simeon, 2003), and prescription charges.

These are not very dramatic changes, and the reason is clear: as the UK is presently constructed, the devolved administrations do not have the authority to vary the level of welfare provision significantly. Welfare (especially health) spending has increased across the UK, but that is because of taxation and budgeting decisions made by the UK government for England with ‘Barnett consequentials’ that increased devolved budgets. Blair government budgets created the fiscal space for Scotland and Wales to create their new entitlements.

This limited divergence in overall levels of provision comes with major changes in the organisation of social services, which is what we should expect of governments that do not control taxation, overall spending or benefits, but do have the power to organise and reorganise social services of many kinds. The UK government, which makes policy for England, is obviously less institutionally or financially constrained. We see that in the vast expansion of the English NHS budget under the Blair governments. The UK government has not, however, opted to create major new entitlements; its emphasis in social policy was on reorganisation (as with its cross-policy interest in ‘choice’) and, in some areas, tightening eligibility with welfare-to-work initiatives (see Powell, 2008). The UK government had more options than the devolved administrations, but chose to use them to reorganise eligibility and provision. Its activity in doing so means that in many policy areas the divergence has been England from the rest of the UK.

These reorganisations plausibly have effects on the level of provision. There certainly have been major and documented differences in the rhetoric and organisation of public services between the four jurisdictions (Adams, 2005; Adams and Robinson, 2002; Greer, 2004, 2009, forthcoming; McGarvey and Cairney, 2008; Stewart, 2004; Trench and Jarman, 2007; Williams and Mooney, 2008; and 2005 special issues of *Regional and Federal Studies*, issue 15(4) and *Critical Social Policy*, issue 25(4)), but there has been less research into the effects on services. This is often due to data that are not comparable, and so comparisons are high quality but on narrow topics (Bevan and Hamblin, 2009), very cautious (Alvarez-Rosete *et al.*, 2005), or dependent on ignoring major differences in data collection, population characteristics or both (as with comparisons of school tests or waiting for medical treatment).

Summary

In other words, the devolved administrations create very slightly better entitlements to services. There is considerable debate and very few data about which systems have better outcomes, be they in health, education or social policy. It is easy to see how this flows from the UK’s specific institutional arrangements.

The devolved governments are free to develop new forms of social policy organisation, and are in large part social services providers, but are less able to develop new social citizenship rights because of their constrained fiscal positions. The result is that they altered the organisation of social services substantially, and their entitlements at the margins. If they had to sustain themselves on taxes, or negotiate their subsidies from the UK state on a programme-by-programme basis, the effects might be very different – with their organisation more to Westminster’s taste, possibly, and their levels of services tailored to their different taxing capacities (reliance on own revenue without subsidies would be a disaster for Northern Ireland and Wales; Scotland’s future fiscal stability is more contestable because it depends on assumptions about oil reserves, offshore drilling rights and oil prices).

The United States

US politics is a Russian doll of veto players: each one, upon examination, turns out to contain another one.³ And the United States is known for a relatively fragmented and inegalitarian welfare state. But federalism in the United States does not, directly, explain its distinctive welfare state because federalism does not directly constitute a veto player. The United States has ample veto players, but the states are not always among them. Indeed, the states might welcome initiatives that the federal government cannot take because of its internal veto players.

Institutional arrangements

The United States has three branches of government, each with a range of powers over the others: the powerful federal courts, the Congress (divided into two co-equal houses) and the Presidency. None completely controls the federal government. Bureaucrats are divided into many agencies and constrained by extensive rules of administrative procedure. An agency will often manoeuvre strategically between its executive branch ‘boss’, its Congressional committee and potentially litigious interest groups. Each branch then contains further checks and balances. Politicians, each with their own territorial and personal bases, have a variable level of party unity. It is worthy of notice when a party achieves such a high level of party unity as to be able to legislate with anything like the decisiveness of an ordinary UK government (Hacker and Pierson, 2005). It is practically the opposite of Westminster.

This multiplicity of veto players in Washington is at most indirectly due to federalism. The states are no more than legislative constituencies for the Senate. Some states have Senators of opposite parties who can generally cancel each other out. Whether either Senator chooses to represent the interests of the State government is up to that person, and the interests of the State can be hard to identify if the Governor and two (save in unicameral Nebraska) houses of the state legislature are not under the control of a unified state party.

Federal-level veto players are not due to federalism, so we must look to the effects of state autonomy to see how they affect US aggregate outcomes. How autonomous, then, are the states? US intergovernmental relations, built up over more than two centuries, lack the cleanness of the recent UK legislation. While the Tenth Amendment to the Constitution grants residual powers to the states (in the manner of Scotland's 'negative list'), state power has been broken down and interpenetrated with federal power at least since the New Deal. This has been through roughly three methods: 'pre-emption' by Congress, such as expansive interpretation of the Commerce Clause (which permits the federal government to regulate interstate commerce, and which has been expanded to include issues that touch on goods and services that cross state lines) (Zimmerman, 2005); expanded standing for citizens to challenge state actions in federal courts; and use of the federal budget to bring states into specific programmes.

This use of the spending power reflects the states' distinctive, messy, combination of dependence and independence. The United States, uniquely among the rich countries, does not have a system of formal redistribution between governments. States with weak tax capacities or lower taxes simply have less money than states with strong taxing capacities or higher taxes. Individual federal programmes (grants-in-aid) have adjustment formulas built in that give more money to poorer or more troubled states, but that is specific to each programme. There is no overall effort to equalise the fiscal resources of states in the name of social citizenship or equal opportunities. Forty-nine of the states, moreover, have balanced budget requirements that make them procyclical and prone to cut social services during downturns, and many states restrict tax bases – with no income tax in some states and no sales taxes in others. This means that the United States creates a nearly ideal environment for races to the bottom, and states do suffer from migration of both taxpayers and service receivers. Of course, it is still striking how small the effects are – a salutary reminder, given the ease with which we can imagine races to the bottom ending far below even Mississippi (Hansen, 2006; Robertson, 2003; Rom, 2006).

The states' permanent fiscal constraint, and the obvious attractiveness of outside money, means that the federal government has an enormous ability to use its spending power to shape state policy. Perhaps the exemplary case was its decision in the Federal National Minimum Drinking Age Act 1984 to deny highway matching funds to states that did not raise their drinking age to 21. The states complied. The state university systems were likewise given an enormous boost by the Civil War-era federal land grants, and federal cofinancing explains much of the US transportation infrastructure now. There are also purely federal social programmes without much state involvement, such as Social Security, the Medicare programme of health care for the elderly and the Veterans Administration, which provides social and health services to veterans. They demonstrate that the federal government need not work with states, although

most federal programmes that deliver services work with or through states and local governments.

Welfare state effects

The United States has an enormous welfare state (Page and Simmons, 2000). The difference *vis-à-vis* Europe is not so much in the sheer scale of spending as in its distribution: per-capita *public* spending on health care, for example, is higher than most of the OECD and is higher than the UK's total per-capita health care spending (OCED, 2007: 5.2). That the United States does not achieve universal health care coverage with that amount of money has been due to the overall structure of a system in which public spending often props up a very profitable private and non-profit sector and, by covering many groups, takes off enough political pressure to allow the system to muddle onwards (Brown, 2005). What does federalism contribute to this situation, and similarly remarkable American welfare outcomes?

First, there is enormous territorial variation. The striking fact about American educational performance is less its averages than its staggering variance, with Iowa and North Dakota tied with South Korea and Taiwan as the most numerate jurisdictions in the world, Missouri tied with Canada and Scotland, and Mississippi students scoring below those of Jordan (NCES, 1996, indicator 25; the study has not since been repeated). The percentage of the under-65 population without health insurance in the states ranges from 11 per cent in Minnesota to 30.4 per cent in Texas (Commission on a High Performance Health System, 2007: 22). Massachusetts' 2006 health reform, if fiscally sustainable, might bring its uninsurance rate down to nearly zero. It is reasonable to suggest that much of this territorial variation in outcomes is explained by the autonomy of states to make policy. Their financial constraint in a system that leaves them to self-finance much of their systems is a fact of American federal institutions. But the federal government can influence the extent to which that variation matters. US health insurance statistics only count the population under 65, because over that age Americans are covered by the federal Medicare programme. The scope for state variation is a function of federal social policy decisions.

So does federalism explain the limits of federal social policy? Probably not. The states are not federal veto players. The experience of recent US social policy suggests that they rarely if ever veto social policy (and that is without even considering their lobbies for intergovernmental transfers). To take one Clinton-era policy, the State Childrens' Health Insurance Program (SCHIP), the federal government agreed to co-finance state programmes to provide health insurance for children of the working poor. The states signed up despite some misgivings about federal commitment (which proved justified when George W. Bush vetoed a bill renewing an expanded SCHIP in 2007). Some states did the minimum required to comply with the federal requirements, but many experimented with

ways to include the children's parents or even unrelated uninsured adults, and raised or lobbied for the funds to do it. SCHIP does not just explain why most under-18s in the US have health insurance; it is also a centrepiece of state and federal coverage expansion proposals.

The tendency to use federal resources to change state policy and overall welfare outcomes was not unique to Clinton. George W. Bush came to office with an agenda of educational reform that led to the No Child Left Behind (NCLB) law of 2001. This law reauthorised a number of federal programmes supporting state and local educational policy, but made them contingent on states testing students and bringing schools up to certain standards or closing them. Such was the existing dependence on federal resources that compliance was financially necessary for the states and school systems. The result was to harness a variety of federal educational programmes to standards, albeit to standards set by states. It was a clear use of the federal spending power to make policy as well as an instance of bipartisan policy-making that overcame Washington's many veto players (a style for which Bush would not subsequently be famous) (Peterson, 2006). The barriers that NCLB had to overcome were not the states; they were in Congress (Rudalevidge, 2003). In fact, behind NCLB was not so much a federal imposition on states as an alliance of state and federal education bureaucrats who shared an interest in imposing standards on local school districts (Nitta, 2008: 186; see also Manna, 2006).

The initial burst of activity following the inauguration of Barack Obama further underlined the point, with hundreds of millions of dollars being routed to states for their own projects (such as infrastructure) or for joint state-federal projects such as the children's health programme SCHIP. Once Washington overcame its internal vetoes with a new administration, unified party control, and a crisis to help it along, the states accepted the help, with only a few governors (in Alaska, Louisiana and South Carolina) even trying to reject any part of the aid.

Summary

Overall, the United States has a very fragmented political system and a much less egalitarian, comprehensive and coherent welfare state than the UK. But this analysis suggests that the reason is nothing as simple as 'federalism'. The history of major welfare reforms has often been one of problems in *Washington*, not intergovernmental relations. States historically sign up for, and lobby for, federal welfare programmes (Smith and Evans, 2004 [2002]). Medicare, Social Security and the Veterans' Administration are all examples of federal-only programmes whose fate was always determined in Washington. Of course, Southern representatives historically opposed many welfare state programmes, and federalism helped preserve Southern distinctiveness (most notably when it allowed states to enslave and later disenfranchise blacks), but it is difficult to

argue that the South would not have been a distinctive area in a more unified United States (for a sensitive treatment of the issue, see Bensel, 1990).

SCHIP and NCLB both show that if the federal government surmounts its internal divisions, it can create quite substantial and (at least theoretically) egalitarian programmes. The ordinary run of state politics, without such federal intervention, produces extremely variable welfare regimes that grant different levels of support and carry out policies with different levels of effectiveness (Greer and Jacobson, forthcoming). In other words, the number of veto players in Washington and interstate divergences in policy contribute to the overall shape of the US welfare state, but not in a simple way that allows us to blame 'federalism' or draw conclusions about the desirability of decentralisation. Instead, the conclusions that we can draw are primarily about the effects of veto players in the central government and of interregional transfers that would reduce state dependence on their competitive and very different economies.

Conclusion

Decentralisation, this article has argued, is not a useful variable for explaining welfare provision in a given state. It certainly triggers some mechanisms that explain why large-scale studies find it to be correlated with lower welfare spending or slower rates of retrenchment, but it also triggers mechanisms that lead some scholars and politicians to associate it with at least locally more generous and innovative welfare states. The way to reconcile them and go beyond large-scale correlations is to focus on the mechanisms rather than the mere fact of decentralisation. Those mechanisms can change the scale of the effects of decentralisation, change the kind of effects, and could even reverse the arrow so that under some circumstances decentralisation would increase a country's overall average welfare spending by making provision more generous in some areas.

This means that actual effects of decentralisation can better be understood through examination of the mechanisms identified in the literatures reviewed here and shown in the examples: veto players, intergovernmental relations and intergovernmental finance. Picking two countries that are widely different in most institutional and many political attributes merely makes the point that examining the mechanisms is more useful than simply examining the level of decentralisation.

It should be possible to generalise it beyond the short examples here. Germany, for example, makes the Länder veto players in the central government, includes an explicit equalisation mechanism and permits considerable tax autonomy to the Länder. Its political process is therefore usually incremental and slow, but also gives the Länder strong representation in the federal government that shapes its policy choices (for example, Campbell and Morgan, 2005).

Canada combines federalism with Westminster governments; the interaction of powerful, unified governments that control substantial tax bases within a federal state gives the country its characteristic 'diplomatic' style of intergovernmental relations (Simeon, 1972) and considerable regional policy diversity. Switzerland, meanwhile, resembles the United States: a veto-ridden central government with little regional representation, a relatively small welfare state and diverse social policies in the different cantons that are driven largely by their ability to raise their own resources. Swiss welfare performance comes from averaging the federal and different cantons' welfare provision, and state-level statistics obscure the striking diversity born of federal inaction and regional peculiarity (Armingeon *et al.*, 2004).

For a quantitative approach (following Castles, 1999), the data to incorporate this level of detail into analyses of welfare effort are already present and coded for many of these issues, by international organisations such as the IMF and OECD as well as by research teams (see *Regional and Federal Studies*, special issue 18(2), 2008). Specifying the mechanisms would also improve our ability to connect territorial politics with other variables that explain welfare state outcomes. This especially means work on political parties. Parties are important in both territorial politics (Hough and Jeffery, 2006; Maddens and Swenden, 2009) and welfare state literatures, but their role connecting territorial politics and welfare is not always well specified.

Nothing about decentralisation, federalism or any other general category of territorial politics tells us what the mechanisms or effects will be. Saying that the UK is decentralised hardly suggests that its social democracy is doomed or particularly promising, and it is a waste of time to reframe it in terms of the difference between 'federalism' and 'devolution' or other bespoke terms of territorial politics when we can just focus on the mechanisms. Saying that federalism covaries with lower welfare provision or slower retrenchment across the OECD says very little about any particular case and denies the ability of institutions – such as those of the UK – to create diversity that raises social welfare standards.

Rather, Scotland's governments since devolution, to return to the quotations from Bogdanor and Keating, have been able to set out a new level of welfare provision because of some (fragile) institutional arrangements in the UK that give it great autonomy: the lack of veto players in the different governments and the particular form of autonomy built into the devolution legislation. Those UK institutional arrangements and their equivalents around the world, and not the mere fact of decentralisation or stories of achievement from one or two regions, should be what interest scholars of territorial politics and the welfare state.

Notes

- 1 Both authors consider a generous welfare state to be a major component of social democracy.

- 2 Following standard European usage, 'regional' means a meso-level of government, and state means the central, recognised, sovereign state. The only exception is when the discussion clearly refers to the United States or Canada.
- 3 For example, Congress is a veto player in legislation; Congress contains two houses; the Senate contains a supermajoritarian requirement (60 votes to overcome a filibuster); both houses contain strong committees; those committees are often in conflict; each committee has subcommittees.

References

- Adams, J. (ed.) (2005), *Devolution in Practice II: Public Policy Differences around the UK*, Newcastle: Institute for Public Policy Research.
- Adams, J. and Robinson P. (eds.) (2002), *Devolution in Practice: Public Policy Differences within the UK*, London: Institute for Public Policy Research.
- Aldridge, J. (2008), 'Financing devolution: 2008 and beyond', in A. Trench (ed.), *The State of the Nations 2008*, Exeter: Imprint Academic.
- Alesina, A. and Glaeser, E. L. (2004), *Fighting Poverty in the US and Europe: A World of Difference*, Oxford: Oxford University Press.
- Alvarez-Rosete, A., Bevan, G., Mays, N. and Dixon, J. (2005), 'Effect of diverging policy across the NHS', *British Medical Journal*, 331: 946–50.
- Armingeon, K., Bertozzi, F. and Bonoli, G. (2004), 'Swiss worlds of welfare', *West European Politics*, 27: 20–44.
- Bagehot, W. (1867), *The English Constitution*, Ithaca: Cornell University Press.
- Banting, K. G. (1999), 'Social citizenship and the multicultural welfare state', in A. C. Cairns, J. C. Courtney, P. MacKinnon, H. J. Michelmann and D. E. Smith (eds.), *Citizenship, Diversity and Pluralism: Canadian and Comparative Perspectives*, Montreal/Kingston: McGill-Queens University Press.
- Banting, K. G. and Corbett, S. (2002), 'Health policy and federalism: an introduction', in K. G. Banting and S. Corbett (eds.), *Health Policy and Federalism: A Comparative Perspective on Multi-Level Governance*, Montreal and Kingston: McGill-Queens University Press.
- Béland, D. and Lecours, A. (2008), *Nationalism and Social Policy: The Politics of Territorial Solidarity*, Oxford: Oxford University Press.
- Bensel, R. F. (1990), *Yankee Leviathan: The Origins of Central State Authority in America, 1859–1977*, Cambridge: Cambridge University Press.
- Bevan, G. and Hamblin, R. (2009), 'Hitting and missing targets by ambulance services for emergency calls: impacts of different systems of performance measurement within the UK', *Journal of the Royal Statistical Society*, 172: 1–30.
- Bogdanor, V. (2007), 'Social democracy', in A. Seldon (ed.), *Blair's Britain 1997–2007*, Cambridge: Cambridge University Press.
- Brooks, C. and Manza, J. (2007), *Why Welfare States Persist: The Importance of Public Opinion in Democracies*, Chicago: University of Chicago Press.
- Brown, L. D. (2005), 'Incrementalism adds up?', in J. A. Morone and L. D. Brown (eds.), *Healthy, Wealthy, and Fair: Health Care and the Good Society*, New York: Oxford University Press.
- Cameron, D. R. (1978), 'The expansion of the public economy: a comparative analysis', *American Political Science Review*, 72: 1243–61.
- Campbell, A. L. and Morgan, K. J. (2005), 'Federalism and the politics of old-age care in Germany and the United States', *Comparative Political Studies*, 38: 887–914.
- Carmichael, P., Knox, C. and Osborne, R. (eds.) (2007), *Devolution and Constitutional Change in Northern Ireland*, Manchester: Manchester University Press.
- Castles, F. G. (1999), 'Decentralization and the post-war political economy', *European Journal of Political Research*, 36: 27–53.

- Commission on a High Performance Health System (2007), *Aiming Higher: Results from a State Scorecard on Health System Performance*, New York: Commonwealth Fund.
- Conover, P. J., Crewe, I. M. and Searing, D. D. (1991), 'The nature of citizenship in the United States and Great Britain: empirical comments on theoretical themes', *Journal of Politics*, 53: 800–32.
- Fargion, V. (2000), 'Timing and the development of social care services in Europe', *West European Politics*, 23: 59–88.
- Ferrera, M. (2005), *The Boundaries of Welfare: European Integration and the New Spatial Politics of Social Protection*, Oxford: Oxford University Press.
- France, G. (2008), 'The form and context of federalism: meanings for health care financing', *Journal of Health Politics, Policy, and Law*, 33: 649–705.
- Gibson, E. L. (ed.) (2004), *Federalism and Democracy in Latin America*, Baltimore: Johns Hopkins University Press.
- Greer, S. L. (2004), *Territorial Politics and Health Policy: UK Health Policy in Comparative Perspective*, Manchester: Manchester University Press.
- Greer, S. L. (2006), 'The politics of policy divergence', in S. L. Greer (ed.), *Territory, Democracy, and Justice*, Basingstoke: Palgrave Macmillan.
- Greer, S. L. (2007), 'The fragile divergence machine: citizenship, policy divergence, and intergovernmental relations', in A. Trench (ed.), *Devolution and Power in the United Kingdom*, Manchester: Manchester University Press.
- Greer, S. L. (ed.) (2009), *Devolution and Social Citizenship in the UK*, Bristol: Policy Press.
- Greer, S. L. (forthcoming), 'Options and the lack of options: health politics and policy', forthcoming, *Political Quarterly*, 80.
- Greer, S. L. and Jacobson, P. (forthcoming), 'Federalism and health policy', *Journal of Health Politics, Policy and Law*, 35.
- Hacker, J. S. and Pierson, P. (2005), *Off Center: The Republican Revolution and the Erosion of American Democracy*, New Haven: Yale University Press.
- Hansen, S. B. (2006), *Globalization and the Politics of Pay*, Washington, DC: Georgetown University Press.
- Hazell, R. and Rawlings, R. (eds.) (2005), *Devolution, Law Making and the Constitution*, Exeter: Imprint Academic.
- Heald, D. and McLeod, A. (2002), 'Beyond Barnett? Financing devolution', in J. Adams and P. Robinson (eds.), *Devolution in Practice: Public Policy Differences within the UK*, London: Institute for Public Policy Research.
- Hicks, A. (1999), *Social Democracy and Welfare Capitalism: A Century of Income Security Politics*, Ithaca: Cornell University Press.
- Hicks, A. M. and Swank, D. H. (1992), 'Politics, institutions, and welfare spending in industrialized democracies, 1960–82', *American Political Science Review*, 86: 658–74.
- Hoffman, B. (2006), 'Tell me again: why is there no national health insurance in the United States?', *Journal of Health Politics, Policy, and Law*, 31: 839–48.
- Hough, D. and Jeffery, C. (eds.) (2006), *Devolution and Electoral Politics*, Manchester: Manchester University Press.
- Huber, E. and Stephens, J. D. (2001), *Development and Crisis of the Welfare State: Parties and Policies in Global Markets*, Chicago: University of Chicago Press.
- Huber, E., Ragin, C. and Stephens, J. D. (1993), 'Social democracy, Christian democracy, constitutional structure, and the welfare state', *American Journal of Sociology*, 99: 711–49.
- Immergut, E. M. (1992), 'The rules of the game: the logic of health policy-making in France, Switzerland, and Sweden', in S. Steinmo, K. Thelen and F. Longstreth (eds.), *Structuring Politics: Historical Institutionalism in Comparative Analysis*, Cambridge: Cambridge University Press.
- Jordan, J. (2009), 'Federalism and health care cost containment in comparative perspective', *Publius*, 39: 164–86.

- Keating, M. (2007), 'Introduction', in M. Keating (ed.), *Scottish Social Democracy: Progressive Ideas for Public Policy*, Brussels and Frankfurt: Peter Lang.
- Lijphart, A. (1984), *Democracies: Patterns of Majoritarian and Consensus Government in Twenty-One Countries*, New Haven: Yale University Press.
- Livingston, W. S. (1952), 'A note on the nature of federalism', *Political Science Quarterly*, 67: 81–95.
- Maddens, B. and Swenden, W. (eds.) (2009), *Territorial Party Politics in Western Europe*, Basingstoke: Palgrave.
- Maioni, A. (1998), *Parting at the Crossroads: The Emergence of Health Insurance in the United States and Canada*, Princeton, NJ: Princeton University Press.
- Maioni, A. (2002), 'Health care in the new millennium', in H. Bakvis and G. Skogstad (eds.), *Canadian Federalism: Performance, Effectiveness, and Legitimacy*, Toronto: Oxford University Press.
- Manna, P. (2006), *School's In: Federalism and the National Education Agenda*, Washington, DC: Georgetown University Press.
- McEwen, N. (2006), 'Does the recognition of national minorities undermine the welfare state?', in K. G. Banting and W. Kymlicka (eds.), *Multiculturalism and the Welfare State: Recognition and Redistribution in Contemporary Democracies*, Oxford: Oxford University Press.
- McEwen, N. and Moreno, L. (eds.) (2005), *The Territorial Politics of Welfare*, London: Routledge.
- McGarvey, N. and Cairney, P. (2008), *Scottish Politics: An Introduction*, Basingstoke: Palgrave Macmillan.
- McLean, I., Lodge, G. and Schmuecker, K. (2009), 'Social citizenship and intergovernmental finance', in S. L. Greer (ed.), *Devolution and Social Citizenship in the UK*, Bristol: Policy Press.
- Mitchell, J. (2006), 'Evolution and devolution: citizenship, institutions, and public policy', *Publius*, 36: 153–68.
- Moreno, L. (2001), 'Spain, a via media of welfare development', in P. Taylor-Gooby (ed.), *Welfare States under Pressure*, London: Sage.
- NCES (1996), *Education in States and Nations: Indicators Comparing US States with Other Industrialized Countries in 1991*, Washington, DC: National Center for Education Statistics.
- Nitta, K. A. (2008), *The Politics of Structural Education Reform*, Abingdon: Routledge.
- Oates, W. E. (1999), 'An essay on fiscal federalism', *Journal of Economic Literature*, 37: 1120–49.
- Obinger, H., Leibfried, S. and Castles, F. G. (2005a), 'Bypasses to a social Europe? Lessons from federal experience', *Journal of European Public Policy*, 23: 545–71.
- Obinger, H., Leibfried, S. and Castles, F. G. (eds.) (2005b), *Federalism and the Welfare State: New World and European Experiences*, Cambridge: Cambridge University Press.
- OCED (2007), *Health at a Glance*, Paris: OECD.
- Page, B. I. and Simmons, E. R. (2000), *What Government Can Do: Dealing with Poverty and Inequality*, Chicago: University of Chicago Press.
- Peterson, P. (2006), 'The changing politics of federalism in the United States', in S. L. Greer (ed.), *Territory, Democracy and Justice: Regionalism and Federalism in Western Democracies*, Basingstoke: Palgrave Macmillan.
- Pierson, P. (1995), 'Fragmented welfare states: federal institutions and the development of social policy', *Governance*, 8: 449–78.
- Poirier, J. (2001), 'Pouvoir normatif et protection sociale dans les fédérations multinationales', *Canadian Journal of Law and Society/ Revue Canadienne Droit et Société*, 16: 137–71.
- Powell M.. (ed.) (2008), *Modernising the Welfare State: The Blair Legacy*, Bristol: The Policy Press.
- Przeworski, A. and Teune, H. (1970), *The Logic of Comparative Social Inquiry*, New York: Wiley.
- Quadagno, J. (2005), *One Nation, Uninsured: Why the US Has No National Health Insurance*, New York: Oxford University Press.

- Ragin, C., Berg-Schlosser, D. and de Meur, G. (1996), 'Political methodology: qualitative methods', in R. E. Goodin and H.-D. Klingemann (eds.), *A New Handbook of Political Science*, Oxford: Oxford University Press.
- Robertson, D. (2003), 'American federalism and the politics of regulation', in C. Parsons (ed.), *Evolving Federalisms: The Intergovernmental Balance of Power in America and Europe*, Syracuse: Campbell Public Affairs Institute, Syracuse University.
- Rodden, J. A. (2006), 'Federalism', in B. Weingast and D. A. Wittman (eds.), *Oxford Handbook of Political Economy*, Oxford: Oxford University Press.
- Rom, M. C. (2006), 'Policy races in the American states', in K. Harrison (ed.), *Racing to the Bottom? Provincial Interdependence in the Canadian Federation*, Vancouver: UBC Press.
- Rudalevige, A. (2003), 'No child left behind: forging a congressional compromise', in P. Peterson and M. A. West (eds.), *No Child Left Behind? The Politics and Practice of School Accountability*, Washington, DC: Brookings Institution.
- Simeon, Rachel (2003), 'The long-term care decision: social rights and democratic diversity', in R. Hazell (ed.), *The State and the Nations: The Third Year of Devolution in the United Kingdom*, Exeter: Imprint Academic.
- Simeon, Richard (1972), *Federal-Provincial Diplomacy: The Making of Recent Policy in Canada*, Toronto: University of Toronto Press.
- Simeon, Richard (2006), 'Federalism and social justice: thinking through the jungle', in S. L. Greer (ed.), *Territory, Democracy, and Justice: Regionalism and Federalism in Western Democracies*, Basingstoke: Palgrave Macmillan.
- Skocpol, T. (1995), *Social Policy in the United States: Future Possibilities in Historical Perspective*, Princeton, NJ: Princeton University Press.
- Smith, S. R. and Evans, D. J. (2004 [2002]), 'Privatization, devolution, and the welfare state', in N. Deakin, C. Jones-Finer and B. Matthews (eds.), *Welfare and the State: Critical Concepts in Political Science: Welfare Futures*, Abingdon: Routledge.
- Stepan, A. (2004), 'Federalism and democracy: beyond the US model', in U. Amoretti and N. Bermeo (eds.), *Federalism and Territorial Cleavages*, Princeton, NJ: Princeton University Press.
- Stewart, J. (2004), *Taking Stock: Scottish Social Welfare after Devolution*, Bristol: Policy Press.
- Swank, D. (2001), 'Political institutions and welfare state restructuring: the impact of institutions on social policy change in developed democracies', in P. Pierson (ed.), *The New Politics of the Welfare State*, Oxford: Oxford University Press.
- Swank, D. (2002), *Global Capital, Political Institutions, and Policy Change in Developed Welfare States*, Cambridge: Cambridge University Press.
- Swenden (2006), *Federalism and regionalism in Western Europe: A Comparative and Thematic Analysis*, Basingstoke: Palgrave Macmillan.
- Tiebout, C. M. (1956), 'A pure theory of local expenditure', *Journal of Political Economy*, 64: 416–25.
- Trench, A. (2006), 'The Government of Wales Act 2006: the next steps in devolution for Wales', *Public Law*, 687–96.
- Trench, A. (ed.) (2007), *Devolution and Power in the United Kingdom*, Manchester: Manchester University Press.
- Trench, A. (2008), *Devolution and Higher Education: Impact and Future Trends*, London: Universities UK.
- Trench, A. and Jarman, H. (2007), 'The practical outcomes of devolution: policy-making across the UK', in A. Trench (ed.), *Devolution and Power in the United Kingdom*, Manchester: Manchester University Press.
- Tsebelis, G. (2002), *Veto Players: How Political Institutions Work*, New York/Princeton: Russell Sage Foundation/ Princeton University Press.
- Tuohy, C. H. (1999), *Accidental Logics: The Dynamics of Change in the Health Care Arena in the United States, Britain, and Canada*, Oxford: Oxford University Press.
- Watts, R. L. (1999), *Comparing Federal Systems*, Kingston, ON: Institute of Intergovernmental Relations, Queens University.

- Watts, R. L. (2000), *The Spending Power in Federal Systems: A Comparative Analysis*, Kingston, ON: Queens University Institute of Intergovernmental Relations.
- Watts, R. L. (2006), 'Origins of cooperative and competitive federalism', in S. L. Greer (ed.), *Territory, Democracy and Justice*, Basingstoke: Palgrave Macmillan.
- Wilensky, H. L. (1975), *The Welfare State and Equality: Structural and Ideological Roots of Public Expenditures*, Berkeley, CA: University of California Press.
- Wilensky, H. L. (2002), *Rich Democracies: Political Economy, Public Policy and Performance*, Berkeley, CA: University of California Press.
- Williams, C. and Mooney, G. (2008), 'Decentring social policy? Devolution and the discipline of social policy: a commentary', *Journal of Social Policy*, 37: 489–507.
- Wincott, D. (2006), 'Social policy and social citizenship: Britain's welfare states', *Publius*, 36: 169–89.
- Zimmerman, J. F. (2005), *Congressional Preemption*, Albany: State University of New York Press.