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Multiculturalism and The Welfare State: Recognition and redistribution in contemporary democracies

Edited by
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Introduction
Multiculturalism and the welfare state: Setting the context

Keith Banting and Will Kymlicka

The past thirty 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.

During the last decades of the twentieth century, however, many Western democracies 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 in Chapter 2. 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 a variety of reasons. One line of critique has been philosophical. Critics argue that

MCPs are inherently inconsistent with basic liberal-democratic principles. MCPs are said to contradict principles of individual freedom (because they privilege 'group rights' over 'individual rights') and/or principles of equality (because they treat people differently on the basis of race or ethnicity). Defenders of MCPs respond that these policies often enhance the choice of individuals, by making available options that would not otherwise be available, and promote the equality of citizens, by removing barriers and contesting stigmas that disadvantage members of ethnic and racial minorities.

This philosophical debate about the moral foundations of multiculturalism dominated the academic literature in the 1980s and early 1990s, and remains a source of ongoing controversy. However, it has recently been supplemented, and to some extent supplanted, by a range of more sociological concerns about the unintended effects of MCPs. In this volume, we examine one such set of concerns: namely, that adopting MCPs makes 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. Critics generally acknowledge that defenders of MCPs do not *intend* to weaken the welfare state. On the contrary, most defenders of MCPs are also strong defenders of the welfare state, and view both as flowing from the same underlying principle of justice. The conflict between MCPs and the welfare state, therefore, is not so much a matter of competing ideals or principles, but of unintended sociological dynamics. MCPs, critics worry, gradually erode the interpersonal trust, social solidarity, and political coalitions that sustain the welfare state.[1]

This is not of course the only sort of concern that has been raised about the effects of MCPs. Some have expressed concern that they slow the incorporation of immigrant minorities into the economic and social mainstream, and lead to their isolation or segregation. In recent years, several European states, including the Netherlands and Britain, have concluded that older models of multiculturalism did not do enough to ensure the economic and political integration of immigrants, and that new pro-integration policies are required. However, there is disagreement about whether these new policies should be seen as *alternatives* to MCPs or

[1] These complaints 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 welfare state. 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 eroding the welfare state (e.g. Phillips 1999). Conversely, there are some authors who dispute the philosophical arguments for many MCPs, yet who deny that they negatively impact the welfare state (e.g. Galston 2001).

as necessary *supplements* to them. The current British approach operates primarily on the latter assumption, and the Netherlands on the former (Hansen, forthcoming; Joppke, forthcoming).

More alarming, particularly since 9/11, is the prospect that multiculturalism policies may have unintentionally created spaces for radical religious and political movements to operate, creating a threat to the safety of citizens and the security of the state. In the name of promoting inclusion and tolerance, multiculturalism policies may have created institutional structures within minority communities (like schools, media, community organizations) that have been captured by fundamentalist groups committed to attacking the liberal-democratic order. In contrast, some experts argue that multiculturalism policies make it less likely that such fundamentalist groups will take root, since the state is better able to monitor and influence minority institutions that have been set up under the aegis of multiculturalist public policies. On this view, terrorist cells are more likely to arise in countries where the state takes a hands-off attitude to the religious and cultural organizations of minority groups (Keeble 2005).

These debates about the link between MCPs, economic and political integration, and national security are sometimes more dramatic than concerns about the gradual erosion of the welfare state. However, the latter is arguably of wider significance. To date, for example, security concerns in the West have largely focused on Muslim immigrants. The welfare state concern, by contrast, has been raised more widely, in relation to MCPs for a broad range of ethnic and racial minorities.

Indeed, part of the reason why the link between MCPs and the welfare state has become such a lively topic of debate is that it fits into a broader debate about the impact of ethnic and racial diversity as such on social solidarity and on the welfare state. Concerns about MCPs are often interwoven with concerns about the effects of ethnic and racial diversity on the redistributive role of the state.

These two concerns—about the impact of racial and ethnic diversity as such, and about the impact of multiculturalism policies—are often lumped together, but it is important to keep them distinct. A growing chorus of researchers and commentators argue that ethnic/racial diversity makes it more difficult to sustain redistributive policies, regardless of the types of policies that governments adopt to manage that diversity. Such arguments assume that it is inherently difficult to generate feelings of national solidarity and trust across ethnic/racial lines, and that the very presence of sizeable ethnic/racial diversity erodes the welfare state. We will call this the 'heterogeneity/redistribution trade-off' hypothesis.

Such fears are often reinforced by concerns that the 'multiculturalism' policies adopted to recognize or accommodate ethnic groups tend to further undermine national solidarity and trust. The underlying hypothesis here is that there is a trade-off between recognition and redistribution; the more a country embraces the 'politics of (ethnic) recognition', the harder it is to sustain the 'politics of (economic) redistribution'. We will call this the 'recognition/redistribution trade-off' hypothesis.

In effect, the first hypothesis argues that the very presence of sizeable ethnic/racial diversity erodes the welfare state, regardless of what sorts of policies governments adopt to manage that diversity. The second hypothesis argues that the typical way in which many Western governments today attempt to manage diversity—namely, by attempting to accommodate it through multiculturalism policies, rather than ignoring or suppressing it—worsens the problem.

If these hypotheses are true, we face a serious and growing problem, because there is no reason to expect either that ethnic/racial minorities will diminish as a percentage of the overall population in most Western countries, or that these groups will abandon their claims for multicultural accommodations. On the contrary, there is every reason to expect that minorities will continue to grow as a percentage of the overall population. For example, indigenous peoples are the fastest-growing segment of the population in countries like Canada, the USA, and Australia, with a higher birth rate than the non-indigenous population. Also, immigration into the Western democracies will continue to grow, partly to offset the declining birth rate and ageing population, and partly because there are limits on the state's ability to stop would-be migrants from entering the country. Similarly, there is every reason to expect that minorities, whether they are historically rooted or newer migrants, will continue to press demands for recognition, which grow out of deep forces of contemporary societies.[2]

So if there is a tendency for either ethnic/racial heterogeneity and/or multiculturalism policies to erode the welfare state, the problem is likely to get worse. If either of these hypotheses were true, the very idea of a 'multicultural welfare state'—a welfare state that respects and accommodates diversity—would be almost a contradiction in terms. The redistributive state has been under pressure in recent decades from a number of economic changes: globalization, technological change, demographic

[2] For a discussion of these forces, including the post-war human rights revolution, the desecuritization of state-minority relations, and democratization, see Kymlicka (2004).

trends and the ageing of society, shifting ideologies. Should we add growing ethnic diversity, and claims for its accommodation, to this already lengthy list?

This worry has been labelled as the 'progressive's dilemma' (Goodhart 2004; Pearce 2004). Social democrats, it is said, are faced with a tragic trade-off between sustaining their traditional agenda of economic redistribution and embracing ethnocultural diversity and multiculturalism. The belief in such a trade-off is creating a major political realignment on these issues. In the past, most resistance to immigration and multiculturalism came from the right, who viewed them as a threat to cherished national traditions or values. Today, however, opposition to immigration and multiculturalism is also emerging within the left, as a perceived threat to the welfare state.[3]

But is the 'progressive's dilemma' real? Our main goal in this volume is to examine the belief that there is a trade-off between policies of multicultural recognition and policies of economic redistribution. As we shall see below, there is remarkably little evidence in the existing research literature to support such an argument. There is a growing research literature on the impact of ethnic heterogeneity as such, although even here the evidence is very mixed. But there is virtually no systematic research on the impact of MCPs on the welfare state. This volume seeks to help fill this yawning gap.

In the rest of this introduction, we provide an overview of the debate on MCPs and redistribution, outlining the views of the critics who contend that such a policy approach erodes the welfare state. We then go on to survey the evidence that has been developed to date. As we will see, there are many unanswered questions about the conditions under which the heterogeneity/redistribution and recognition/redistribution trade-offs may exist, about the causal mechanisms that underpin them, and about the possible strategies for reducing them. Finally, we describe how the chapters in this volume attempt to fill in some of the important gaps in our knowledge, and identify some critical directions for future research.

The various chapters do not point to a single, simple answer to the question of how multiculturalism policies affect the welfare state. However, they do suggest that concerns about the corrosive effect of MCPs have

[3] For an overview of the debates within European social democratic parties on these issues, see Cuperus, Duffek, and Kandel (2003).

been significantly overstated, and that there may indeed be some circumstances where MCPs actually help to strengthen the welfare state.

1. Multiculturalism and the politics of recognition

Despite the various philosophical and sociological concerns that have been raised about the theory and practice of multiculturalism, it remains a powerful force in modern societies. Some critics have expressed the hope that it simply represents a passing fad or fashion (Barry 2001), and others have pointed to evidence of a 'retreat from multiculturalism', and a return to more traditional ideas of homogeneous and unitary republican citizenship, in which ethnocultural diversity is banished from the public realm and relegated to the private sphere (Joppke 2004; Brubaker 2001; Entzinger 2003). In reality, however, multiculturalism has become deeply embedded in the legislation, jurisprudence, and institutions of many Western countries, and indeed in their very self-image. While there has indeed been a retreat from some multiculturalism policies for some types of ethnocultural groups in some countries, these high-profile cases of 'backlash' can blind us to more general trends regarding the accommodation of ethnocultural diversity in the West.

Consider, for example, the case of national minorities. As we will see in Chapters 2 and 9, there has been a clear trend towards greater recognition of non-immigrant substate national groups, often in the form of regional autonomy and official language status. That trend remains untouched: there has been no backlash against the rights of national minorities within the Western democracies. There is no case in the West of a country retreating from any of the accommodations it has accorded to its substate national groups. On the contrary, this trend has been reaffirmed and strengthened by the development of international norms, such as the Framework Convention for the Protection of National Minorities, adopted by the Council of Europe, and comparable declarations by the Organization for Security and Cooperation in Europe.[4]

Or consider the case of indigenous peoples. As we will see in several chapters (2, 8, 10, and 11), there has been a clear trend towards greater recognition of indigenous rights, often in the form of land claims, recognition of customary law, and self-government rights. That trend remains

[4] The Convention was adopted in 1995, but the monitoring bodies have adopted a norm of 'progressive implementation' which means that the threshold countries are expected to meet continually rises (Weller 2004).

fully in place, without any measurable backlash or retreat, and it too has been reaffirmed and strengthened by the development of international norms, such as the UN's Draft Declaration on the Rights of Indigenous Peoples, or comparable declarations of indigenous rights by the Organization of American States, the International Labour Organization, or the World Bank.

So there is no across-the-board retreat from multiculturalism. For both substate national groups and indigenous peoples, the trend towards the public recognition and accommodation of ethnocultural diversity remains intact, and indeed is now more firmly entrenched, rooted not only in domestic accommodations and negotiations, but also ratified and protected by international norms.

The retreat from multiculturalism, therefore, is largely restricted to one domain of ethnocultural diversity—namely, immigration. Here, as we will see in Chapters 4–7, there has been a backlash and retreat from multiculturalism policies relating to post-war migrants in some Western democracies. And, unlike the case of national minorities and indigenous peoples, there has been no serious attempt to codify cultural rights for immigrants at the international level. It is an important question why immigrant multiculturalism in particular has come under such attack, to which we will return below. But we can begin by dismissing one popular explanation. As we noted earlier, various commentators have suggested that the retreat from immigrant multiculturalism reflects a return to the traditional liberal belief that ethnicity belongs in the private sphere, that the public sphere should be neutral, and that citizenship should be undifferentiated. On this view, the retreat from immigrant multiculturalism reflects a rejection of the whole idea of a liberal-democratic conception of multiculturalism.

But this cannot be the explanation. If Western democracies were rejecting the very idea of liberal multiculturalism, they would have rejected the claims of substate national groups and indigenous peoples as well as immigrants. After all, the claims of national groups and indigenous peoples typically involve a much more dramatic insertion of ethnocultural diversity into the public sphere, and a more dramatic degree of differentiated citizenship, than is demanded by immigrant groups. Whereas immigrants typically seek modest variations or exemptions in the operation of mainstream institutions, historic national minorities and indigenous peoples typically seek a much wider level of recognition and accommodation, including such things as land claims, self-government powers, language rights, separate educational systems, and

even separate legal systems. These claims involve a much more serious challenge to ideas of undifferentiated citizenship and the privatization of ethnicity than is involved in accommodating immigrant groups. Yet Western democracies have not retreated at all from their commitment to accommodating these historic minorities.

Western democracies are, in fact, increasingly comfortable with claims to differentiated citizenship and the public recognition of difference, when these claims are advanced by historic minorities. So it is not the very idea of liberal multiculturalism per se that has come under attack.[5] The backlash, rather, is largely restricted to immigration. And even within the sphere of immigration, the retreat from multiculturalism is far from uniform across countries: it is more pronounced in the Netherlands than Canada, for example. And in many countries, the shift has been greater at the level of rhetoric than actual policies.[6]

Even within a single country, there are important variations in the attitude towards the claims of different immigrant groups. Public debates in many countries distinguish 'good' immigrant groups, who are seen as hard-working and law-abiding and hence deserving of reasonable multicultural accommodations, from 'bad' immigrant groups, who may be seen as illegal or lazy, or as prone to crime, religious fanaticism, or political extremism. When the latter are seen as the prime beneficiaries of multiculturalism, public support for MCPs can dramatically diminish, leading to high-profile cases of 'retreat'.[7]

But even as states seek to curtail the perceived 'excesses' of multiculturalism, they typically emphasize that they are not reverting to older homogenizing and assimilationist models of immigration, and accept the need for public institutions like the schools, media, health care, and police to adapt to deal better with the realities of ethnic diversity. Immigrant groups are no longer expected to hide their ethnic identity in public life, and can expect reasonable forms of recognition and accommodation in public institutions (e.g. in the common school curriculum). In short, talk about a 'retreat from (immigrant) multiculturalism' typically obscures a more complex story in which a few MCPs are curtailed while others become more deeply institutionalized. As with national minorities and

[5] Commentators who argue that Western democracies are rejecting liberal culturalism per se typically simply ignore the obvious counter-examples of national minorities and indigenous peoples (see e.g. Joppke 2004; Barry 2001).

[6] For examples of rhetorical shifts that obscure the persistence of MCPs in practice, see Hansen (forthcoming); Schain (1999); and Entzinger's chapter below.

[7] For the importance of these perceptions in explaining public support for immigrant MCPs, see Kymlicka (2004).

indigenous peoples, a baseline level of 'recognition' and 'accommodation' for immigrants has increasingly been accepted as an inevitable and legitimate aspect of life in a liberal democracy.

So there is no single story of 'advance' or 'retreat' of multiculturalism. There are different types of ethnocultural diversity, each raising its own distinctive sorts of multicultural claims, and each with its own trajectories of resistance, acceptance, and backlash. It is important to keep these distinct trajectories in mind, since, as we will see throughout this volume, there is a distressing tendency in the literature to make claims about the negative impact of 'heterogeneity' as such, or of 'multiculturalism' as such, based on the experiences of a single type of group or a single country.

If we think about the impact of these different patterns, multiculturalism is one of the most important social and political trends of the past forty years, remaking states and societies around the world. There are many different explanations for the enduring and pervasive nature of claims for multiculturalism, and many different theories of their normative underpinnings. Some suggest that the aim of multiculturalism should be to create the conditions for a Habermasian ethic of intercultural dialogue (Benhabib 2002) or an inclusive democratic contestation (Williams 1998); others argue that multiculturalism should be founded on the idea of a 'right to culture' (Tamir 1993; Margalit and Halbertal 1994); yet others argue that multiculturalism should be premissed on the Shklarian idea of the avoidance of cruelty (Levy 2000); or on the need of individuals for the recognition of their authentic identities (Taylor 1994); as a precondition for individual autonomy (Kymlicka 1995); or on the idea of tolerance (Kukathas 2003). The philosophical literature contains many sophisticated discussions of these various arguments, all of which attempt to ground ideas of multiculturalism in deeper principles of freedom and democracy. But for our purposes, we can perhaps step back from the details of these arguments, and simply note that on all of these views, the rise of multiculturalism is related to, and an extension of, the modern human rights revolution. The same human rights ideals that inspired the struggle against colonialism, racial segregation, and caste discrimination have also inspired the struggle by other historically disadvantaged ethnocultural groups to contest the lingering manifestations of ethnic and racial hierarchy. Indeed, the modern rhetoric of multiculturalism draws explicitly on the discourses (and strategies) developed during the anticolonial national liberation movements and the African-American civil rights movements, adapting them to the specific needs of

different types of groups in different countries. This link between MCPs and human rights norms is often explicitly invoked by legislators and courts in explaining the rationale for various multicultural policies and laws, and is found in international law documents on minority and indigenous rights as well.[8]

This helps explain why multiculturalism should not be dismissed as a passing fad or fashion. While its outer limits are deeply contested, its inner core is inextricably linked to widely accepted norms of freedom, equality, human rights, and democracy. In short, claims for multiculturalism are grounded in some of the most basic principles of justice in contemporary societies. The question for our volume is whether the pursuit of social justice for ethnocultural minorities through MCPs is, unintentionally, weakening society's capacity to pursue the more traditional aspect of social justice relating to economic inequality and disadvantage.

2. The case for a recognition/redistribution trade-off

Why have so many observers argued that there is a trade-off between recognition and redistribution? Critics have speculated about a range of mechanisms by which the adoption of MCPs could inadvertently erode the welfare state.[9] We can summarize these mechanisms 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 welfare state 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

[8] For a more detailed defence of this link, see Kymlicka (forthcoming *b*).

[9] 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), Richard Rorty (1998, 2000), 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.

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).[10]

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 welfare state, 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 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' (2000: 29, emphasis added). But other critics of MCPs offer a more nuanced explanation.

[10] See also Barry's complaint that MCPs involve 'dissipating' energies that 'might have gone into' redistributive politics (Barry 2001: 197).

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.[11]

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

[11] Another version of this argument has been made by Dominique Schnapper, who argues that multiculturalism erodes the common public space needed to sustain relations of solidarity amongst equal citizens (Schnapper 1998).

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 in 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 2001).

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 programmes. 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 from redistribution. The crowding-out, 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 welfare state. 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 (Phillips 1995), subsequently wrote '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 programmes. After all, the welfare state has been under pressure throughout the Western democracies, including in countries that strongly resist MCPs, like Germany, 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 welfare state was restructured. Indeed, as Chapter 2 will show, some pro-MCP countries resisted the retrenchment of the welfare state better than some anti-MCP countries. So the existence of a general link between MCPs and the welfare state is not self-evident.

Moreover, 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' welfare state issues rests on the implicit assumption that there would have been a sizeable coalition of politically engaged citizens willing to act to defend the welfare state, 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.[12]

Barry too acknowledges that the left's passivity on economic issues is due to 'despair at the prospects of getting broad-based egalitarian policies

[12] See Caputo (2001) for a similar analysis.

adopted', and that this despair pre-dated the 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. Donna Lee Van Cott's chapter below tells a similar story about the way struggles for multiculturalism have fed into struggles for redistribution in Latin America.[13]

The 'crowding-out' argument is a common one that has been used historically by traditional 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 alternative 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 relegitimate the state as an

[13] More generally, one could speculate whether the success of the politics of recognition has helped to inspire some of the protest around globalization.

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 interethnic trust and solidarity needed to sustain the welfare state is also debatable. For one thing, it assumes that prior to the adoption of MCPs there were high levels of interethnic 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, 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 welfare state.

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 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 (Barry 2001: 88–9, citing Sherif et al. 1961). 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 interethnic 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.[14] Matt James's chapter below discusses the complex dynamics put in play by the linking of multiculturalism with 'redress politics'.

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

[14] It should be noted, moreover, that the 'Robber's Cave' argument, applied consistently, threatens the critics' preferred alternative to MCPs. According to many critics, the alternative to MCPs is a more rigorous enforcement of anti-discrimination law, so as to ensure the equal enjoyment of common citizenship rights. But anti-discrimination law, as much as MCPs, requires categorizing people into different ethnic and racial categories on the basis of their historic mistreatment and their vulnerability to social stigmatization. To make a claim under anti-discrimination law, people must identify themselves as a member of a protected group, and these claims are tested in part by assessing how other members of the group have fared within a particular organization or company. The more rigorously anti-discrimination law is monitored and enforced, the more salient these categorizations become, and this can generate the same corroding 'in-group, out-group' dynamic that critics ascribe to MCPs. And indeed some left-wing commentators have argued that anti-discrimination laws involve their own 'recognition versus redistribution' trade-off (Choudhry 2000). Whether the sort of group recognition required by anti-discrimination law or MCPs does indeed have this polarizing effect—or whether it instead helps to increase solidarity by reducing inherited forms of prejudice and distrust—must, in both cases, be examined empirically.

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.

The critics 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.

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 (e.g. Portuguese in North America), or it may be privileged in terms of class and race but disadvantaged in terms of cultural recognition and accommodation (e.g. 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 monocausal motor of history, but rather contesting the very idea of a monocausal 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 (see Spinner 1994; Young 1995; Fraser 1998; Kymlicka 1998: ch. 5). 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 primacy 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?[15]

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 provides 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 (e.g. 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

[15] 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 welfare state? 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 multiculturalism theories and actual multiculturalism policies, how then does the misdiagnosis argument work?

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 welfare state are self-evident. They may seem to have some initial plausibility, but there are equally plausible arguments why MCPs would strengthen the welfare state. Many of the these critiques blame MCPs for problems that in fact pre-date the adoption of MCPs (e.g. interethnic mistrust; fatalism about economic structures); 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.

3. The available evidence

What then is the evidence that MCPs erode the welfare state? As we noted earlier, the critics themselves do not provide systematic evidence to support their claims. Nor do they cite any empirical studies showing a correlation between the adoption of MCPs and the erosion of the welfare state. This is perhaps not surprising because, so far as we can tell, there are no empirical studies for critics (or defenders) to cite. No one has even attempted to test the recognition/redistribution trade-off hypothesis.

This is an important gap in what is otherwise an enormous and impressive comparative literature on the factors that shape the welfare state. One stream within this literature seeks to explain variations in the level of social spending across OECD countries by reference to a wide range of factors, such as the level of economic development, the openness of the economy, the size of the elderly population, the strength of organized labour, the historic dominance of parties of the left or right, and the structure of political institutions and the electoral system (see, for example, Huber and Stephens 2001; Swank 2002; Castles 2004; Hicks 1999). However, none of these studies has integrated MCPs into the analysis.

The same gap exists in the related literature on 'welfare state regimes'. Drawing on Esping-Andersen's ground-breaking work (1990, 1996), several scholars have examined why countries differ, not only in their level of social spending, but also in the way welfare benefits are structured, focusing on the balance between income transfers and social services, and the role of universal versus targeted programmes. Studies of these

different welfare state 'regimes' have also not yet integrated MCPs into their analysis (e.g. Castles 1989, 1998; Ferrera 1996).

In short, discussions of the recognition/redistribution trade-off to date are unsupported by any systematic empirical research. In Chapter 2, we list twenty-three multiculturalism policies that have been adopted by various Western democracies, and so far as we know, no one has attempted to test the impact of any of these MCPs on the welfare state.

The only partial exception concerns recent work on the relationship between federalism and the welfare state. As we discuss in Chapter 2, federalism is one way in which countries can seek to accommodate the aspiration for self-government by national minorities, and so the adoption of federalism can be seen, in some contexts, as a form of 'MCP'. Several cross-national studies of the welfare state have concluded that, all other things being equal, federal states tend to have lower levels of social spending (Swank 2002; Huber and Stephens 2001; Huber, Ragin, and Stephens 1993; Hicks and Misra 1993; Hicks and Swank 1992; and Crepaz 1998). This might be seen as preliminary evidence that at least one form of MCP erodes the welfare state. However, such studies do not distinguish between 'multi-nation' countries such as Canada, Belgium, Spain, and the United Kingdom, where federal or quasi-federal institutions were adopted at least in part to accommodate substate nationalism, from countries such as Australia, Germany, and the United States, where federalism owes its roots to other considerations. Federalism counts as an MCP in the former, but not in the latter. For our purposes, the question is not how federal states compare to unitary states in general, but rather whether states that adopt federalism to accommodate national minorities fare worse in social spending compared to states that do not accord territorial autonomy to their national minorities. And that question, like all questions about the relationship between MCPs and the welfare state, has not yet been empirically tested.

In contrast to this virtual silence on the impact of MCPs on the welfare state, there is a recent and growing literature on the related hypothesis discussed earlier that ethnic/racial diversity itself weakens economic redistribution (what we called the 'heterogeneity/redistribution trade-off' hypothesis). Given the importance of distinguishing between the impact of heterogeneity and the impact of MCPs, it is worth reviewing this literature here.

In one sense, the idea that ethnic/racial heterogeneity can weaken the pursuit of a robust welfare state is an old one. Karl Marx argued that racial divisions within the working class in the USA would undermine

its capacity to demand progressive reforms, and this has been a recurring theme in American politics.[16] Hints that ethnic diversity was potentially important occasionally emerged in the literature on the development of the welfare state in the post-war era (Wilensky and Lebeaux 1965; Wilensky 1975). For example, in his early cross-national study of the emergence of the welfare state, John Stephens found that ethnic and linguistic diversity was strongly and negatively correlated with the level of labour organization, a key variable in analysis of the determinants of social spending across OECD countries (Stephens 1979). The implication would seem to be that heterogeneity weakens 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. Unfortunately, subsequent generations of this research did not follow up on this lead, and ethnic, racial, and linguistic diversity has not been included as a variable in several of the most influential cross-national studies of welfare state spending (e.g. Swank 2002; Hicks 1999).[17]

Including ethnic/racial heterogeneity as an explanatory variable in comparative studies of social spending is therefore a recent trend, which initially emerged in two discrete geographical contexts. First, development economists, including some associated with the World Bank, pointed to ethnic and tribal diversity in attempting to explain the poor economic and social performance of countries in sub-Saharan Africa. The focus here was initially on the impact of ethnic heterogeneity on economic growth, rather than social policy. The primary concern was that ethnic tensions lead to communal rent-seeking in government, poor macroeconomic policies, and in some cases high levels of violent conflict, all of which retard the rate of economic growth in developing countries. However, subsequent research has extended the focus to examine the negative impact of heterogeneity on the provision of public goods, such as public education. Studies suggest that 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 developing countries with more religious and linguistic diversity, and transfer payments tend to be lower in countries with high levels of ethnic diversity (Collier 2000, 2001; Collier and Gunning 1999; Easterly and Levine 1997; Easterly 2001*a*, 2001*b*; Montalvo and Reynal-Querol 2005; Nettle 2000;

[16] For a discussion of the history of this argument, see Lipset and Marks (2000).

[17] Interestingly, this observation also applies to Stephens' own recent work, which does not incorporate ethno-linguistic diversity. See Huber and Stephens (2001).

James 1987, 1993; Grafton, Knowles, and Owen 2002; Miguel 2004; Miguel and Gugarty 2005).[18] In a similar vein, La Ferrara has demonstrated the importance of ethnicity in conditioning access to informal credit and group loans in Africa (La Ferrara 2002, 2003).

The second context concerns the United States. Race has played a central role in the history of US social programmes from their earliest origins (Skocpol 1992). 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 programmes. As welfare rolls expanded and new poverty programmes 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 programmes helped 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. 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.

Given this history, it is not surprising that scholars interested in the US experience increasingly add ethnic and racial heterogeneity to models that seek to explain differences in social spending, both within the USA and between the USA and other countries. The size of racial minorities helps explain differences in social expenditures across cities and states in the USA (Alesina, Baqir, and Easterly 2001; Hero 1998; Hero and Tolbert 1996; Plotnick and Winters 1985; Johnson 2001, 2003; Soss et al. 2001; Soss, Schram, and Fording 2003; Fellowes and Rowe 2004; Luttmer 2001). These studies consistently show, for example, that the higher the proportion of African-Americans or Hispanics within a state, the more restrictive state-level welfare programmes such as Medicaid are.[19] More recently,

[18] One of the few exceptions is Posner (2005), who did not discover the expected correlation between ethnic diversity and public goods provision in Uganda.

[19] See the overview of this research in Chapter 4 below. This correlation is backed up by survey evidence showing that the best predictor of people's support for welfare in the USA is

Alesina and Glaeser have extended this analysis to the cross-national level, arguing that differences in racial diversity are a significant part of the explanation of why the United States did not develop a European-style welfare state (Alesina and Glaeser 2004).

Such results have led several scholars to conclude that there is a universal tendency for people to resist interethnic redistribution. Explanations differ as to why this tendency exists.[20] Some simply view it as a brute preference or 'taste' (Luttmer 2001). Others argue that ethnocentrism is a genetically determined disposition, since evolution would select for 'ethnic nepotism' (Salter 2004).[21] Others offer a more nuanced account for this tendency. Even if people are willing in principle to make sacrifices for co-citizens who are not co-ethnics—perhaps motivated by some sense of common citizenship or shared patriotism—they are only likely to do so if they trust the would-be recipient to reciprocate. However, this sort of trust is difficult to generate across ethnic lines. For one thing, it is easier to sanction 'defectors' within one's own ethnic group than to sanction members of other ethnic groups (Miguel and Gugarty 2005). Also, trust can be seen as a component of social capital that develops in associational life, and Putnam argues that the sort of associational life that generates social capital is lower in ethnically heterogeneous neighbourhoods.[22] Yet other explanations focus on the impact of ethnic and racial diversity on the political coalitions and parties that normally support the welfare state. Ethnic cleavages may pose particular challenges for the formation of a united and powerful labour movement (Alesina and Glaeser 2004; Stephens 1979), and offer particular openings for right-wing populist

not whether they self-identify as right or left, or liberal or conservative, or even whether they believe that the poor are lazy. Rather, the most powerful predictor is the belief that *blacks* are lazy (Gilens 1999).

[20] For a more extensive discussion of these competing explanations, and the objections to each, see Kymlicka (forthcoming *a*). It is important here to distinguish episodic 'humanitarian' charity in response to disasters from ongoing institutionally compelled redistribution. The debate concerns resistance to the latter.

[21] The expression of this universal tendency may be influenced by the presence of racialist ideologies that have been developed to provide intellectual justification for privileging co-ethnics. However, for those who endorse the evolutionary account, the tendency to privilege co-ethnics is prior to, and more widespread than, any particular ideology of racialism or ethnocentrism, and is found as much in African or Asian societies as in European societies.

[22] Putnam argues that social capital, in the form of trust and engagement in social networks, is critical to a wider sense of public purpose and a capacity for collective action through the public sector. But social capital, he has recently concluded, is weakened by ethnic diversity. Early findings based on his Social Capital Benchmark Study suggest that individuals in ethnically diverse regions and neighbourhoods in the United States are much less engaged in their community and wider social networks than individuals living in more homogeneous parts of the country (Putnam 2004; also Goodhart 2004).

parties that combine anti-immigrant nativism with attacks on the welfare state (Kitschelt 1995).

Whatever the explanation—whether seen as an inherent genetic disposition or as a predictable by-product of social capital deficits, weakened pro-welfare coalitions or electoral processes—there is an increasing tendency to assume that ethnic/racial heterogeneity erodes redistribution. Although the main evidence for this assumption comes from two specific contexts—namely, sub-Saharan Africa and the United States—it is increasingly treated as a universal tendency. The strongly racialized dimension of US welfare politics is no longer seen as an anomaly—a pernicious legacy of the peculiar American history of slavery and segregation—but rather as a normal, even inevitable, reaction to the simple fact of ethnic/racial heterogeneity. Indeed, the United States has come to represent the leading international example of the proposition that heterogeneity as such erodes redistribution. Its story has emerged as a sort of 'master narrative', the quintessential model of the (inherently weak) heterogeneous welfare state.

Based on this assumption, scholars have drawn rather dire predictions about the future of the welfare state across the Western democracies. If it is the mere presence of ethnic and racial minorities that has weakened the welfare state in the United States, then increasing immigration threatens to do the same in Europe. In 1986, Gary Freeman predicted that immigration would lead to 'the Americanization of European welfare politics' (Freeman 1986: 62), and more recent commentators have reiterated this prediction (Glazer 1998; Faist 1995; Goodhart 2004). In their comparison of the US and European welfare states, Alesina and Glaeser conclude with a caution about current directions in European politics: 'As Europe has become more diverse, Europeans have increasingly been susceptible to exactly the same form of racist, anti-welfare demagoguery that worked so well in the United States. We shall see whether the generous welfare state can really survive in a heterogeneous society' (Alesina and Glaeser 2004: 180–1).

However, there are important reasons for being careful about assertions of a general tendency for ethnic heterogeneity to erode the welfare state. The empirical evidence is drawn from two contexts that are arguably atypical. In the sub-Saharan context, the artificiality of state boundaries, combined with the weakness of state institutions at the time of independence, meant that states had no usable traditions or institutional capacity for dealing with diversity. In the American context, racial animosity had been sedimented by centuries of slavery and segregation, whose maintenance

depended on state-sponsored ideologies and practices that dehumanized Blacks. One could argue that neither of these contexts provides a reliable basis for predicting the impact of, say, increasing Turkish immigration on the German welfare state, or increasing Philippine immigration on the Canadian welfare state. Where minorities are newcomers rather than historically enslaved groups, and where state institutions are strong rather than weak, the impact of increasing heterogeneity may be quite different.

Indeed, recent attempts to test the heterogeneity/redistribution hypothesis beyond the USA and Africa have a number of limitations. Alesina and Glaeser (2004: 141) report a negative relationship between racial diversity and social spending across a wide range of countries at very different levels of economic development. While the relationship holds when the level of development is controlled, the strength of the correlation in the case of developed countries is influenced strongly by the USA, which is an outlier in terms of both racial diversity and levels of social spending (Hvinden 2006). Moreover, Alesina and Glaeser adopt the unusual assumption that several factors which normally figure prominently in comparative analyses of the welfare state, especially the strength of the political left, are simply a reflection of the level of racial diversity, and therefore do not include them in this phase of their analysis. Other researchers, however, have challenged this assumption. For example, when Taylor-Gooby (2005) includes the strength of the political left among the controls, racial diversity has no statistically significant effect on social spending in Western Europe. He concludes that there is, as yet, no evidence that immigration will have the same effect on European welfare states that race has historically had on the American welfare state. Similarly, after a comprehensive analysis of cross-national data on public attitudes, Crepaz warns against extrapolating from the American experience. The challenge posed by immigration in Europe unfolds in a context in which the welfare state has reached maturity and is embedded deeply in public expectations, unlike the American experience in which the politics of race hampered movement towards a more comprehensive welfare state from the outset. As a result, he concludes, 'there is little evidence that immigration-induced diversity will lead to an "Americanization" of the European welfare state' (Crepaz forthcoming).

An additional problem concerns the ways in which different forms of multicultural diversity are integrated into analyses of the politics of redistribution. The literature tends to be concerned primarily with immigrant minorities, and treats national minorities and indigenous peoples

in a very inconsistent manner—sometimes they are included, sometimes not. This can be seen in the Index of Ethno-linguistic Fractionalization developed by Alesina and his colleagues, which is used increasingly in studies of these issues (Alesina et al. 2003). The UK data on ethno-linguistic fractionalization, for example, ignores national minorities in Scotland and Wales, as well as white immigrants such as the Irish. As a result, the Index is only measuring 'racial' differences in the UK: white 93.7 per cent; Indian 1.8 per cent; other UK 1.6 per cent; Pakistani 1.4 per cent; Black 1.4 per cent. In Canada, however, the Index subdivides the white majority into a range of different ethnic and linguistic subgroups, including French 22.8 per cent; British 20.8 per cent; German 3.4 per cent; Italian 2.8 per cent; Dutch 1.3 per cent and so on.[23] As a result, the Index is not a consistent measure of either the diversity of the ethnic origins of a population or its politically salient ethnic identities. As we will see in Chapter 2, when we test on a more consistent basis the impact of national minorities and indigenous peoples on the welfare state in Western democracies, no significant relationship emerges.

In the end, John Myles and Sébastian St-Arnaud conclude that existing research on the relationship between ethnic diversity and the welfare state is 'simply too thin and contradictory to draw strong conclusions' (Myles and St-Arnaud, this volume). Claims about an inherent trade-off between heterogeneity and redistribution should therefore be treated with caution.

It is not clear how widespread the phenomenon is, or what mechanisms underlie it. Although a growing literature suggests that such an effect exists in particular times and places—and of course we can see evidence of that every day in countries suffering from ethnic conflict and racist violence—we cannot assume that it is a universal tendency. Much more research is required before any definitive judgement can be made.

Our focus here is on the link between ethnic diversity and redistribution, but it should be noted that this was just one part of a larger debate swirling in the late 1990s around the potentially negative political and economic implications of ethnic diversity. For example, there were preliminary studies suggesting that countries with high levels of ethnic diversity were more prone to civil war, and were less likely to develop into democracies. However, more recent research, using more rigorous methods, suggests that ethnically diverse societies are not in

[23] The full listing for Canada (in per cent) is: French 22.8; other Canadian 43.5; British 20.8; German 3.4; Italian 2.8; Chinese 2.2; Amerindian 1.5; Dutch 1.3.

fact more prone to civil war (Fearon and Laitin 2003; Young 2002), or less likely to be democracies (Fish and Brooks 2004). Similarly, early assertions that ethnic diversity has negative effects on economic growth have been qualified by more recent research demonstrating, among other things, that the negative relationship fades away at higher levels of development and in democratic countries (Alesina and La Ferrara 2005; Collier 2000; Lian and Oneal 1997). Thus earlier assumptions about the inherently negative impact of ethnic diversity on peace, democracy, and economic development are now widely seen as overstated. In the same way, the evidence about the relationship between diversity and social spending summarized here points to the need for caution about assumptions that there is a universal trade-off between heterogeneity and redistribution.

The need for more research applies even more forcefully to the issue of primary concern in this volume, the alleged trade-off between multicultural recognition and economic redistribution. As we have seen, this is much less explored territory. Yet it is also critical in policy terms. From the perspective of public policy debates, studies of the link between levels of ethnic/racial heterogeneity and the welfare state represent a rather academic discussion. For most practical purposes, the level of ethnic/racial heterogeneity is a given. A country simply finds itself with certain ethnic/racial minorities, and unless it is willing to contemplate genocide or ethnic cleansing, this must be accepted as a reality. The size of ethnic/racial minorities can be affected at the margins, by increasing or decreasing immigration, but this only has a significant effect on overall levels of diversity over the long term.

For most policy makers, therefore, the crucial issue is not 'what level of ethnic heterogeneity is desirable', but rather 'how should we respond to the ethnic heterogeneity that already exists in our society'. As we noted earlier, during the last two decades of the twentieth century, many Western democracies shifted towards a more accommodating approach to diversity, reflected in the adoption of MCPs for immigrant groups, national minorities, and indigenous peoples. This shift has generated widespread controversy, including anxiety over its implications for the welfare state. Whether these fears are justified is one of the compelling issues in contemporary policy debates.

We believe that the research reported in the following chapters, while perhaps not definitive, provides a crucial first step in exploring issues that will be of fundamental importance for the future of the welfare state in the twenty-first century.

4. Overview of the volume

This volume adopts a number of methodological approaches to increase our understanding of the relationship between MCPs and the welfare state. In part, we rely on cross-national statistical analysis. This approach is well suited to testing the extent to which there is a systematic relationship between MCPs and the welfare state, as implied by the critics of such policies. Statistical techniques are also helpful in attempting to distinguish between the impact of ethnic diversity on one hand and MCPs on the other, as well as to taking account of a wide range of other factors that are known to influence the strength of the welfare state. These are important advantages. However, statistical methods also face important constraints in this context. First, cross-national data sets on our issues are less than ideal at the best of times, and the limited number of Western democracies for which any data are available limits how far multivariate analysis can take us. Second, while statistical analysis can reveal whether or not there is a systematic relationship between MCPs and the welfare state, it does not answer questions about the range of causal mechanisms that might be at work. Moreover, cross-national analysis is inevitably silent on the nature of the relationship in particular cases. As we will see, while the cross-national analysis in Chapter 2 finds no statistically significant negative relationship between MCPs and the welfare state, this does not preclude the possibility that such tensions exist in particular countries or periods, or that some particular forms of MCPs do have corrosive potential.

To explore the dynamics in particular cases, the volume includes a number of case studies that examine in depth particular countries or sets of countries. We include some countries that have adopted multicultural policies, where a tension between recognition and redistribution has been widely predicted or assumed. But we also include studies of countries which have resisted multicultural approaches, in part to understand whether a fear that MCPs might weaken the welfare state and other dimensions of solidarity help explain why they have not followed that path.

The volume is organized in three parts. Part I reports the findings of two cross-national statistical tests of the linkage between the levels of MCPs and the strength of the welfare state across the OECD countries. Part II contains the case studies examining the link between MCPs and the welfare state in particular countries, or in relation to particular types of diversity, trying to identify some of the underlying trends and

mechanisms at work. Finally, Part III provides two concluding reflections on the relevance of our findings for broader debates in political theory and social science.

Part I: Cross-national studies

We begin with two chapters that explore the relationship between MCPs and the welfare state on a broad cross-national comparative basis among OECD countries. In Chapter 2, Banting, Johnston, Kymlicka, and Soroka introduce a new framework for testing the recognition/redistribution hypothesis. First, they develop an index of twenty-three different types of MCPs that have been adopted for three different types of minority groups (immigrants, national minorities, and indigenous peoples); second they categorize Western countries in terms of their level of MCPs; and third, they test whether countries with higher levels of MCPs have faced an erosion of the welfare state as compared to countries with lower levels of MCPs. Their findings show no negative correlation between the strength of a country's commitment to MCPs and its ability to sustain welfare spending or economic redistribution. As part of the multivariate analysis, this chapter also examines the heterogeneity/redistribution hypothesis, and shows that this too is overstated. In general, the size of immigrant groups, national minorities, and indigenous peoples in Western countries does not affect a country's ability to sustain its welfare commitments, although a rapid change in the size of immigrant groups does seem to have an effect. Yet even here, the authors argue, there are hints that adopting MCPs can help to mitigate whatever negative effect a rapidly increasing immigrant population may have.

These results provide some preliminary reassurance that the conflicts between multicultural recognition and economic redistribution are not as severe as many people believe. However, it is possible that the negative effects of MCPs simply take a long time to show up. Welfare states evolve slowly, as complex policy changes in some programmes, such as pensions, can take considerable time to come fully into effect. For this reason, it is useful to look, not only at welfare spending levels, but also at public support for the welfare state. This is the focus of Chapter 3, by Markus Crepaz. As he notes, we can view public attitudes as the 'canary in the mine'. If the politics of multicultural recognition are going to have a corroding impact on the politics of redistribution, this will likely show up first in a drop in public support for the welfare state, before it shows up in actual changes in spending levels. Drawing on public opinion data

from a variety of surveys across the Western democracies, Crepaz asks whether states with higher levels of MCPs have seen an erosion in public support for redistribution, in comparison with countries with lower levels of MCPs. Here again, the results are encouraging: he finds no evidence that adopting MCPs erodes trust, solidarity, or support for redistribution.

Part II: Case studies

While cross-national studies provide fairly strong evidence that there is no *general* or systematic tendency for multicultural recognition to erode economic redistribution, they leave a number of questions unanswered, many of which can only be addressed through more detailed case studies.

We begin Part II with a study of the American context, which has driven much of the debate. The impact of racial diversity on welfare policy in the United States has been well studied, and indeed has often served as the paradigm case for the heterogeneity/redistribution trade-off. In Chapter 4, Rodney Hero and Robert Preuhs summarize the clear evidence that support for welfare programmes diminishes in American states that have higher levels of Blacks and Hispanics. The main question they address, however, is how the presence of MCPs, such as bilingual education for Hispanics, affects this familiar dynamic. They develop an index of state-level MCPs, including the interesting category of 'anti-MCPs'—that is, policies adopted precisely to prevent the future adoption of MCPs (such as 'Official English' laws). Drawing on cross-state statistical analysis, they show that there is no tendency for states that have adopted stronger MCPs to suffer more serious erosion in their welfare programmes compared to other states.

Another context where a recognition/redistribution trade-off has been widely predicted concerns immigrants in Europe, particularly the recent growth in non-white immigration. We have included three case studies of this phenomenon, focusing on three countries that have been at the epicentre of these trends: the Netherlands, Germany, and the United Kingdom. In each case, we are interested, not only in whether we can find empirical evidence for this predicted trade-off, but also in exploring why so many political actors believe that such a trade-off exists. In all three countries, we can observe the political realignment we mentioned at the start of this introduction—namely, a growing tendency within the social-democratic left to question its previous support for immigration and multiculturalism, in part on grounds of their impact on the welfare state. Many people in these three countries believe that they face the

'progressive's dilemma' of choosing between diversity and redistribution, and this is affecting political alliances and strategies. So we are interested in political attitudes and public discourse, as well as actual impacts on the welfare state.

In Chapter 5, Geoffrey Evans examines the case of Britain, focusing on the nature of public attitudes towards ethnic diversity, MCPs and the welfare state in that country, and their implications for party politics. Evans focuses on two predictions implicit in the critics' worries about multiculturalism: that public opposition to increasing ethnic diversity and MCPs will lead to an erosion in social trust and a decline in support for the welfare state; and that the politics of diversity will crowd out the politics of recognition, increasing the salience of cultural over redistributive issues in shaping voters' choices of which party to support, with negative consequences for left parties. Evans concludes the predictions fail on several fronts. First, there has been no backlash against ethnic diversity and MCPs in Britain. Public attitudes towards minorities have become more tolerant over time, and public opposition to MCPs has softened. Second, although there has been some weakening in public support for redistribution, this trend has much more to do with changing economic conditions than with immigration or MCPs. Finally, although there is some evidence that immigration may sometimes crowd out redistributive concerns in determining people's voting behaviour, there is no evidence that MCPs for already settled minorities have had this effect. In short, Evans concludes, 'we must cast doubt on the prognosis of a trade-off between multiculturalism policies and commitment to the welfare state.'

In Chapter 6, Han Entzinger examines the case of the Netherlands. If Britain has witnessed a mild pulling back from multiculturalism on the left, the Netherlands is often seen as the paradigm case of a wholesale retreat. During the post-war years, the Dutch built one of the most generous welfare states in Europe and adopted a strongly multiculturalist Minorities Policy, which reflected an extension of their approach to historic diversities, known as pillarization. During the 1990s, however, the Netherlands reduced the scope of its welfare state and shifted away from multiculturalism. Were these two trends related? Did the allegedly corrosive effects of MCPs contribute to the decline of the Dutch welfare state? Entzinger argues no. The two policy currents were driven by different concerns. On one side, restructuring the welfare state reflected economic and ideological trends common to Western democracies, and there is little evidence that issues of immigration or multiculturalism played a role in

the political shift. On the other side, the shift away from the traditional approach to multiculturalism was driven by concern that the approach was contributing to the exclusion of minorities from the economic and social mainstream of Dutch society, and not by concerns about the impact of multiculturalism on the welfare state. While the Dutch experience of the 1990s does not correspond to the political dynamics anticipated by the critics of MCPs, Entzinger nonetheless predicts that the retreat from MCPs in the Netherlands is likely to endure, and that government policies to enhance the solidarity that underpins the welfare state will not, and perhaps should not, include a revival of multiculturalism.

In Chapter 7, Peter Kraus and Karen Schönwälder examine the case of Germany. Whereas the left in both Britain and the Netherlands had embraced multiculturalism in the 1980s, the left in Germany had always felt much more conflicted. Kraus and Schönwälder describe the historical factors that explain this resistance to multiculturalism, which are partly rooted in the nature of the German welfare state and labour relations. They also examine the more recent cautious opening towards ideas of multiculturalism. In this sense, the German case represents a slightly different trajectory from the Britain and the Netherlands. In the past decade, the German left (particularly the Social Democratic Party) has had an intense internal debate about whether to embrace MCPs, and how such a shift towards multiculturalism would affect its electoral chances and its traditional social policy goals. This chapter examines the different positions adopted in this debate, the basis for fears that MCPs might jeopardize welfare state goals, and the factors shaping the resulting political strategies. While the authors find no evidence that MCPs have weakened the welfare state, the German case suggests that fears of such an impact can weaken the political alliances necessary to introduce or sustain MCPs.

Chapter 8 focuses on another specific context where MCPs have been predicted to have corroding effects—namely, when they are linked to issues of historical redress. As we noted earlier, some commentators have suggested that MCPs are most likely to corrode solidarity and trust when they involve highlighting issues of historical injustice, generating a form of 'grievance politics'. This backward-looking focus on past wrongs against particular groups is said to inhibit forward-looking campaigns to achieve justice for all. In this chapter, Matt James examines this issue in the particular context of three redress campaigns in Canada: redress for the harms of residential schooling for aboriginals; redress for the wartime internment of Japanese- and Ukrainian-Canadians; and redress for the

demolition of Africville, a black neighbourhood in Halifax. He argues that while redress campaigns can indeed promote attitudes that render cross-ethnic cooperation more difficult, they also help create the conditions under which such coalitions are possible.

While much of the literature on the recognition/redistribution trade-off has focused on the case of immigrant multiculturalism, there are other forms of ethnic diversity that also raise potential recognition/redistribution issues. In Chapter 9, Nicola McEwen focuses on the case of national minorities, particularly the Scots, Flemish, and Québécois. In a sense, it is surprising that more attention has not been paid to this issue, since minority nationalism has arguably had a much greater impact on the development of the welfare state than immigration. Most Western states with sizeable national minorities have accommodated minority nationalist aspirations through some form of federal or quasi-federal territorial autonomy. This sort of political restructuring of the state can have a dramatic impact on the evolution of the welfare state, and many commentators have argued that it is typically a detrimental impact, making it more difficult to sustain or build comprehensive welfare programmes. McEwen examines the impact of this sort of devolution/regionalization on the welfare state in the UK, Belgium, and Canada. She argues that the institutional reforms intended to enable national self-government for these minorities have had complex effects on social policy, both at the central level and in the self-governing regions. It has set in play political dynamics that sometimes work to strengthen social policy, as a tool of nation building, and sometimes serve to inhibit new redistributive policies. As a result, no simple, general pattern leaps out.

We conclude Part II with two chapters that move beyond OECD countries and focus on the case of indigenous peoples in Latin America. Many of the issues being raised in the recognition/redistribution debate in the West had already been extensively debated in the Latin American context, where the trend towards greater recognition of indigenous rights has occurred at roughly the same time as the trend towards neoliberal reforms that have cut back on social spending. There are several contending theories about how these two trends are related, many of which are actually more developed versions of the arguments that have been advanced in the West. In Chapter 10, Donna Lee Van Cott outlines these theories, and examines the empirical evidence for and against them, drawing on both case studies and cross-national statistics regarding structural reform in the region. While some commentators have argued that the trend towards indigenous rights has unintentionally reinforced neoliberal restructuring,

Van Cott argues, on the contrary, that the mobilization for indigenous rights has often served as an effective vehicle for building new left-wing coalitions that challenge neoliberalism.

In Chapter 11, Willem Assies examines in detail one of the most controversial cases in Latin America regarding the link between indigenous rights and neoliberal retrenchment. Bolivia is a central case because some indigenous leaders have entered into alliances with neoliberal parties, gaining modest indigenous MCPs in return for not opposing structural reforms. Yet this alliance did not last, and many indigenous leaders insist that neoliberalism and indigenous rights are inherently in conflict. This chapter explores what the Bolivian case tells us about the potential for alliances between MCPs and neoliberalism, and their limits.

As we said earlier, the picture that emerges from these various chapters about the relationship between MCPs and the welfare state is not a simple or straightforward one. Most of the chapters acknowledge that potential tensions could emerge under particular conditions or scenarios. Yet, overall, the research described here provides grounds for cautious optimism. None of the chapters has found clear evidence that MCPs have seriously weakened the welfare state, even in countries or contexts where commentators have predicted such trade-offs to exist. In that sense, the case studies support the main conclusion of the cross-national studies in Part I.

Part III: Theoretical reflections

We finish with reflections from leading scholars in two fields at the heart of the controversies examined in this book, political theory and the study of the welfare state. David Miller and John Myles and Sébastien St-Arnaud review the contributions in the volume and reflect on the implications for theoretical debates and future research in their respective fields. Both Miller and Myles/St-Arnaud conclude that the critics' original complaints against MCPs were overstated, but that there are still potential tensions here that require further analysis and careful managing.

David Miller accepts that the adoption of MCPs, taken by itself, cannot be held responsible for the weakening of the redistributive impact of the welfare state in Western democracies. Nevertheless, he sees dangers, particularly in the case of immigration. Miller distinguishes between multiculturalism as *policy* and multiculturalism as *ideology*, arguing that problems can emerge if the 'discourse' or 'ideology' of multiculturalism seems to imply that immigrants can claim rights to accommodation of

their difference without accepting any corresponding civic responsibilities to adapt and integrate. Such a view, he argues, is deeply unpopular among Western electorates. It is therefore critical, in his view, to pay careful attention to whether MCPs conform or not to citizens' everyday sense of fairness. In particular, MCPs are likely to corrode solidarity when they are seen as providing 'free-rider' benefits to immigrants who are unwilling (or indeed discouraged) from making a good-faith effort to integrate. Clearly, this is a narrower claim than earlier critiques of MCPs, which, as we have seen, anticipated a general pattern of crowding out, corrosion, and misdiagnosis. Moreover, the solution, according to Miller, does not lie in abandoning multiculturalism. Supplementing MCPs with robust nation-building policies that expect and encourage immigrants to make an effort to integrate can help prevent the potentially corrosive possibilities of multiculturalism. The task is to think hard 'about how integration policies can work *alongside* multiculturalism policies' (Miller, this volume).

Myles and St-Arnaud reach a similar emphasis on integration through a very different route. They note that ethnic diversity has been largely absent in conventional welfare state theories, and conclude that the evidence in this volume confirms that ethno-racial heterogeneity and MCPs have not played a significant role in the development of contemporary welfare states, outside the well-documented US case. However, in their view, evidence from the past, even the recent past, does not settle the issue for the future. There is still a danger, especially in Europe, that rising ethno-racial diversity due to immigration might be transformed into ethno-racial political cleavages, which can be manipulated by right-wing populist political parties, with corrosive effects for the welfare state. Forestalling this danger requires the successful economic and political integration of immigrants, which in turn depends on a complex range of factors, including the immigrant selection process, labour market institutions and policies, and the electoral strength of minority groups themselves. MCPs can contribute to this integration, especially if they conform to popular perceptions of just desert and fair competition, but only as part of a much larger package.

Thus both Miller and Myles/St-Arnaud agree that the initial critiques of MCPs have proven unfounded to date, but that it is premature to dismiss the concerns that motivated the critics in the first place, at least in relation to the case of immigrant ethnic diversity.[24]

[24] Neither attempts to revive the critics' worry in relation to MCPs of national minorities and indigenous peoples, even though, as we noted earlier, these MCPs arguably involve a much more dramatic reconfiguration of our inherited ideas of statehood, citizenship, and nationhood.

5. Future directions

The chapters in this volume, while covering a wide range of groups and countries, can only be seen as a starting point for further research. As the commentaries by Miller and Myles/St-Arnaud make clear, there are many unanswered questions about the relationship between heterogeneity, multiculturalism policies, and the welfare state. In particular, both commentaries emphasize the importance of situating debates within a broader framework that examines how MCPs interact with other public policies relating to citizenship, national cohesion, and socio-economic integration. Taken on their own, MCPs are unlikely to have any 'inherent' or 'natural' tendency to undermine (or strengthen) the welfare state. However, in conjunction with other policies, and when operating under particular socio-economic and political conditions, MCPs may turn out to be important components in a larger constellation of factors that can strongly affect social solidarity and the welfare state. It is these constellations of factors, not MCPs in isolation, which we need to study.

Based on the analyses provided in the various chapters of this volume, we see at least two broad areas for future research: (*a*) the role of MCPs within a broader process of *political* integration that can sustain the forms of solidarity and citizenship upon which the welfare state depends; and (*b*) the role of MCPs within a broader process of *socio-economic* integration that can prevent the rise of 'welfare chauvinism' and other forms of populist backlash against the inclusion of minorities in the welfare state.

Regarding the first, many critics such as Gitlin, Wolfe, and Barry assumed that MCPs inherently corrode any sense of common national identity, or any sense of a common civic relationship between citizens and the state. It is clear from the various case studies in this volume that this fear is overstated. There are real-world examples of 'multicultural citizenship', or what we might even call 'multicultural nationhood', in which MCPs coexist with a strong sense of shared nationhood and citizenship. However, much work remains to be done in analysing how precisely MCPs relate to ideas of nation building and citizenship.

One way to proceed, following David Miller's earlier work, would be to distinguish 'moderate' from 'radical' conceptions of multiculturalism. In the former, but not the latter, MCPs are supplemented with policies that

nurture an overarching political identity. A 'moderate' conception of multiculturalism in Britain, for example, would tell citizens there are many different and legitimate ways of 'being British', and that being British is consistent with the public expression and accommodation of other identities, including 'being Muslim' or 'being Scottish'. However, such MCPs recognizing and accommodating minority identities would also be accompanied by policies that actively promote the sense of 'being British'. By contrast, a 'radical' philosophy of multiculturalism would suggest that minorities should be absolved or discouraged from adopting such a pan-ethnic superordinate political identity (Miller 1995: ch. 5; Miller 2000: 105–6). The radical conception, he argues, is corrosive of solidarity and the welfare state. In the absence of appropriate nation-building policies, MCPs will reduce solidarity and trust, by focusing exclusively on the minority's difference. But in the presence of such nation-building policies, the same MCPs 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.

The case studies in this volume suggest that such a simple dichotomy does not capture the complexity of the relationship between MCPs and national citizenship. 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' (Kymlicka 2001: 3).[25] So all of the countries that we describe in Chapter 2 as having 'strong' or 'modest' levels of MCPs fall into the moderate category on Miller's terminology. We do not believe there is any Western democracy that has adopted 'radical' multiculturalism in Miller's sense.

However, it is certainly true that countries vary in the strength and effectiveness of their nation-building policies, and that countries periodically need to reassess whether to strengthen their policies in this

[25] 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). On the way MCPs interact with pro-citizenship policies in Canada, see Bloemraad (2006).

area—e.g. 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 part of what we see in the last few years in some Western European countries, such as the Netherlands or Britain. The 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 2002).

These shifts in Britain and the Netherlands have been described as a 'retreat from multiculturalism' by Christian Joppke (Joppke 2004; cf. Brubaker 2001). But in the British case the 'retreat from multiculturalism' is primarily at the level of rhetoric, and few MCPs have been replaced or abolished (Hansen, forthcoming).[26] Even in the Netherlands—which has certainly undergone a wrenching national debate around these issues, and a marked growth in public anxiety about immigrant integration—a number of MCPs remain in place.[27] The primary change has been to strengthen the nation-building policies that accompany those MCPs.

Joppke is surely right that these policy shifts are often *perceived* by the general public as a wholesale 'retreat from multiculturalism'. This is due, at least in part, to the fact that political leaders in many countries have shifted away from the discourse or rhetoric of multiculturalism, which has become less fashionable. Fewer politicians extol its virtues or identify themselves as 'multiculturalists', although nor do they propose to abolish or retrench all existing MCPs.[28] In this context, decisions to supplement MCPs with nation-building policies are nonetheless perceived by many citizens (and academic commentators) as a 'retreat' from MCPs. If Miller is correct that multicultural ideology can be as significant as multicultural

[26] 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'.

[27] As Entzinger notes in Chapter 6 below, 'Today's assimilative rhetoric, particularly at the national level, disguises the perpetuation of certain multicultural practices.' Dutch MCPs that remain wholly or partially in place include consultative bodies, funding for minority religious schools, and provisions for multiculturalism in the media.

[28] For speculation on the decline of the rhetoric of multiculturalism, despite the persistence of MCPs, see Kymlicka (2003).

policy, then this change may be important.[29] But unfortunately, it has often obscured rather than clarified the range of existing and potential relationships between multicultural policies and nation-building policies.

In short, we need to be careful not to prejudge the connection between MCPs and nation-building, or the connection between rhetoric and policy. There are substantial variations between countries, or over time within countries, in the rhetorical significance attached to ideas of 'nationhood', 'citizenship', and 'multiculturalism'. In some times and places, a resurgent rhetoric of nationhood and citizenship crowds out any talk of multiculturalism; in other cases, the opposite seems to hold. But these highly visible shifts in rhetoric may obscure an ongoing, and less visible, process by which countries try to build policy frameworks that combine MCPs with nation-building and citizenship-promoting policies in a mutually supporting way. The viability of a multicultural welfare state may depend on a more nuanced understanding of the nature and functioning of such frameworks.

Equally important is the economic and social integration of minorities. Much of the current tension in Europe is rooted in economic and social exclusion of immigrants. Unemployment haunts non-EU immigrants throughout Europe. Even in the countries with the best records, the unemployment rate of non-EU foreigners is twice that of the population as a whole, whereas in other countries, the rate can range as high as five times that for the population as a whole (Koopmans 2005, as summarized in Hansen, forthcoming). The economic exclusion implicit in unemployment is often compounded by social separateness, reflecting parallel societies with few links bridging across cultural divides. More worryingly, the seeds of exclusion are being sown in the second generation. The 2000 Programme for International Student Assessment (PISA) revealed a stunning gap between migrant children and other children in reading, mathematics, and science knowledge in a diverse set of countries, including the Netherlands, Germany, Switzerland, France, and Sweden (ibid.).

Here the interaction between integration and the welfare state is more direct and obvious. Minority groups with persistently high levels of unemployment are likely to be disproportionately dependent on social assistance and other welfare programmes, creating dry tinder for political firestorms. Two forms of backlash have emerged in different countries.

[29] We consider the claim that focusing on ideology would generate different results than our focus on policies in Chapter 2, n. 3.

First, many governments have resorted to 'welfare chauvinism', which supports the welfare state but seeks to deny newcomers access to its benefits (Banting 1999; Kitschelt 1995; Andersen 1992; Andersen and Bjørklund 1990). A long list of countries have introduced or lengthened minimum residency periods for social programmes, limiting immigrants access to benefits. Second, a political backlash against minority dependency on welfare might help fuel a broader neoliberal attack on the welfare state, strengthening radical right-wing parties and/or leading mainstream parties to quietly withdraw their support for social redistribution. The impact might be felt primarily by programmes which support the poor generally but on which minorities have been particularly dependent. The classic example here is welfare reform in the USA in the mid-1990s, which eliminated Aid to Families with Dependent Children (AFDC) and replaced it with the term-limited Temporary Aid to Needy Families (TANF). However, the impact might be a more pervasive weakening of the redistributive aspects (as opposed to the social insurance aspects) of the welfare state, as anticipated by David Miller in his reflections (this volume). These two forms of backlash—welfare chauvinism and a broader neoliberalism—obviously distribute the burdens of retrenchment differently. But both represent an erosion of the universalistic conception of the welfare state.

Overcoming the economic and social exclusion of immigrant minorities is clearly one of the great policy challenges confronting European countries.[30] A wide range of policy instruments are relevant, including immigration policies, settlement programmes, language acquisition programmes, anti-discrimination laws, education and training, labour market institutions and policies, to name a few. Some critics have assumed that MCPs crowd out or displace such policies, but here again our case studies show that this is not true. Countries can combine strong MCPs with strong policies to improve the access of immigrants to education and the labour market. Indeed, one immigrant MCP—namely, affirmative action—is exclusively focused on this issue. But as Myles and St-Arnaud emphasize, MCPs are likely to be only one part of a larger incorporation regime, and questions remain about what exactly is the link between MCPs and labour market integration. For example, how do different

[30] As Schierup et al. (2006) argue, Europeans confront this challenge at the same time as they face powerful pressures to restructure the welfare state. The restructuring and integration agendas are driven by separate forces, with the pressures on the welfare state flowing primarily from globalization, economic restructuring, technological change, and neoliberal ideologies. However, while the two agendas are propelled by different forces, their resolution is clearly interrelated.

kinds of multicultural education, mother-tongue services, and culturally sensitive settlement programmes interact with different kinds of labour market policies?

Thus one promising field for future research is to develop a more subtle conceptualization of the possible links between MCPs and political and economic integration of minorities, and then to test which packages or combinations of these policies have been most successful in sustaining the welfare state. In effect, we need to develop a typology of incorporation regimes, analogous to the typologies of welfare state regimes which proved so productive in comparative welfare state research. We make some tentative suggestions along this line at the end of Chapter 2.

6. Conclusions

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. Finding our way forward requires much more knowledge about the underlying relationships between ethnic diversity, multiculturalism, and solidarity than we have today.

We therefore close with a caution. Given the limited nature of our hard information in this area, there is a danger that the experiences of one country will emerge as a sort of master narrative, a story that is seen as capturing the essence of the issues in play. For many Europeans, the United States has become the quintessential multicultural country, and the key test case of the relations between diversity, recognition, and redistribution. In the United Kingdom, for example, analysts such as David Goodhart (2004) depict the American experience as clear evidence that ethnic heterogeneity and multicultural approaches erode redistribution, and as providing a warning about the future of their country. The corrosive aspects of US welfare politics are no longer seen as a reflection of a particular history of slavery and segregation, but rather as a normal, even inevitable, reaction to the simple fact of diversity and its recognition in public policy.

This is a field in which simple narratives are as likely to mislead as inform. Distinctive histories and traditions matter here, and it is important not to project the experience of one country onto the rest of the world. Rather, the priority is to uncover diverse narratives, a variety of

stories that point to different possible relationships between diversity, multiculturalism, and redistribution. The evidence in this book stands as an antidote to fatalistic assertions that multiculturalism policies necessarily weaken support for social programmes. The complex patterns across countries are hopeful signs, which suggest that there is no inevitability at work and that wise policy choices matter.