

legal while others do not. It is to be hoped that someone, perhaps Professor Martel himself, will pick up where this story leaves off, and continue to analyze this ongoing saga. Perhaps, some day, there will be a “this time.”

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**The Politics of Free Markets: The Rise of Neoliberal Economic Policies in Britain, France, Germany, and the United States**

Monica Prasad

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Following the Second World War many western democracies embarked on an expansion of their respective welfare states. This effort would be effectively stopped, even reversed, with the development of neoliberal policies within established parties of the right. In other states, neoliberalism was effectively blocked from affecting public policy. Monica Prasad's book is an effort to explain the success or failure of neoliberalism in western democracies.

Prasad looks at four states: France, the Federal Republic of Germany, the United States, and the United Kingdom. Two of these states (the UK and the US) saw the emergence of powerful political movements on the right determined to introduce neoliberal public policy and reduce the size of the state. In France and Germany, such movements were muted and, ultimately, neoliberal policy prescriptions were not implemented. What can account for these differences in policy?

Prasad considers alternative explanations and rejects cultural or society-centred ones in favour of structural conditions that encouraged or discouraged adversarial politics in the four states. Prasad slays sacred cows by arguing that American exceptionalism is exaggerated and that the success of neoliberal policies in the UK and US are a result of the relative *strength* of the left in these two countries. The left brought the New Deal to America and the National Health Service to Britain. In both states, innovation (in the form of a critique of the welfare state) was made possible by extended periods in opposition, in the case of the British Conservative party, and by entrepreneurial politicians in the US who sought a public profile by adopting populist positions on tax cuts. This is contrasted with the more centralized institutional structures of France (where the right governed from 1958–1981) and federalist Germany, where the right held office from 1949–1969.

The comparison examines the period from the oil crisis of 1973 until German unification. The period chosen reflects the divergence in policy paths experienced by the four states. In each state, Prasad looks at three types of public policy usually associated with neoliberalism: tax, industrial and welfare state policy respectively. Prasad selects particular policies and legislation and explains why these policies either succeeded or failed. Over the course of the analysis, Prasad very ably dismantles the seeming consensus about national characters which are said to explain policy outcomes.

In the US, gains by the left generated an adversarial politics that generated populist movements against big government. The spark that ignited the Reagan Revolution was California's Proposition 13, a 1978 ballot initiative to amend California's constitution and limit property tax. The great popularity of this initiative led national political entrepreneurs, with the decline of party power and resources, in need of a public profile to embrace new ideas that would raise their political profile and fan the flames of populism. The primary legacy of the Reagan era is environmental deregulation (brought with a Trojan horse of deregulation generally), middle-class tax cuts

and small targeted cuts to welfare spending. In the UK, Thatcher was successful because of the popularity of privatization which saw two million Britons purchase shares in the “de-nationalized” British Telecom. This, and the sale of council houses, pushed a critical mass of Britons to the political centre and lent support for Thatcherite policy.

In neither France nor Germany did similar policy shifts to the neoliberal right take place. The explanation is paradoxical. The success of the neoliberal right occurred because of the strength of the left in the UK and US in 1945. In France, agriculture dominated the economy in 1945 and the right supported the building of the centralized states (*dirigisme*) to restore French national pride. Moreover, the French workforce was fragmented and unions exercised much less power than their British colleagues. Finally, there was no party in opposition entertaining neoliberal policy prescriptions. In Germany the presence of the Worker’s Wing of the Christian Democratic Union meant that neoliberal policy proposals were stillborn. Prasad persuasively makes the case for the importance of institutions and structures pointing out that neoliberal ideas did have some currency (albeit among a minority) by employing a content analysis of the German press, and dissertations written in the economics department of the Sorbonne (compared with the University of Chicago). There were neoliberals in France and Germany, but the respective structures of decision making resisted the implementation of their policy preferences. Ideas matter, but so do institutions. The French civil service is resistant to abrupt changes in the electoral tide and there is a remarkable degree of consensus (one currently challenged by President Sarkozy now) about the role of the state among the political elite. In Germany, only one party has championed neoliberalism (the Free Democrats) further limiting its impact.

This review cannot do justice to the historical and empirical richness of this study. Prasad marshals an impressive array of primary documents, personal interviews and content analyses to make her argument about the primacy of the decision-making structures of states and their ability to resist social pressures. There is also a normative component to this work in the conclusion where Prasad considers deliberative democratic procedures to combat the possibility of demagogic politics. This is an outstanding book that will enhance our understanding of policy making in democracies and spur further debate and research on divergent policy paths in democratic states.

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**Agir maintenant pour le Québec de demain, sous la direction de Luc Godbout.**

Luc Godbout

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L’ouvrage *Agir maintenant pour le Québec de demain* s’est fixé trois objectifs. Le premier est de mettre en lumière les positions divergentes des Lucides et des Solidaires; le second est d’ouvrir le dialogue entre les tenants de l’une et l’autre tendance; le troisième est de trouver des pistes de solutions qui pourront assurer le maintien des programmes sociaux tels qu’ils existent aujourd’hui pour les générations futures. On peut affirmer que l’ouvrage atteint le premier et le troisième objectifs, mais on ne peut en dire autant du second objectif, puisque le dialogue semble pour le moins difficile.

En introduction, le directeur de l’ouvrage pose les problèmes du vieillissement de la population et des finances publiques. Ceux-ci risquent, selon lui, d’affecter le