

Abstracts

Thomas M. Pallesen

The Growth of Public Expenditure: Does Politics matter?

This article examines the relationship between the strength of the Left and the growth of public expenditure in 13 Western European countries in the period from 1961 to 1987. Normally a strong positive relationship is established between the strength of the Left and the growth of public expenditure. However, a positive relationship rests upon particular preconditions which validity cannot be taken for granted across time and space. Expanding on this point a methodological framework is developed in order to generate a more adequate test of the relationship in question. By applying this method it is shown that a positive relationship between the strength of the Left and the growth of public expenditure cannot be sustained. There is neither a stable relationship between the strength of the Left and the growth of public expenditure nor is there a strong correlation. This conclusion finds support both across varying policy sectors within a single country and within a cross-national perspective.

Jørgen Grønnegård Christensen

Budgetreforms and Budgetbehavior. The Manipulation of Public Servants and Politicians and the Possibility to manipulate them

Over three decades Danish public budgeting has gone through consecutive reforms. The aim has been to make the management of public expenditure more effective. However, according to this standard the reforms have been disappointing, a conclusion which also gets support from other evidence. The article explains why and argues that micro-reforms taking into consideration the behavioral incentives of public servants might prove more effective. A model of contract-bargaining as opposed to traditional hierarchical steering is presented.

Peter Munk Christiansen

Public Expenditures in the 1980's: From Asymmetry to Asymmetrical Adjustment?

The theory of the asymmetrical nature of public spending decisions has had increasing difficulties in explaining the development of the level and composition of public expenditures in Denmark in the 1980's. In the second half of the 1980's growth of public expenditures stopped in absolute terms. The slowing down of public expenditure growth has hit public consumption harder than transfer payments. The idea of asymmetry of public expenditure decisions should not be given up, however. The traits of asymmetry can be found in the behaviour of public producers when public expenditures are reallocated within strict budgetary limits.

Finn Kenneth Hansen

The Distributional Consequences of Public Expenditures

The distributive aspect of the welfare state is often overlooked in the actual debate on the role and the size of the welfare state. The distribution of the direct income tax and the distributional consequences of the Danish tax reform in 1987 is analysed as well as the distribution of the cash benefits (in 1988 around 120 bill. DKr.). From 1984 through 1988 the redistribution has increased, first of all because the tax reform changed the tendency that the low income families pay a growing part of the direct income tax, and because the cash benefits increasingly is distributed to the low income families.

Steen Scheuer

The Structure Debate of the Danish LO: Organizational Rationalization or Cartel Adjustment?

The external structure of Danish unions which are members of the LO has been on top of the agenda in the end of the 1980's. LO unions have a rather fragmented external structure with domains and boundaries more often than not based on pragmatism and compromise rather than on clear and understandable principles. Furthermore, the organizational structure does not correspond to the structure used in negotiations with the employers' associations. For this purpose, cartels – often drawing their demarcations through individual unions – are used. A third problem seems to be the ongoing tendency of decentralization of unions and of decision making processes in collective bargaining negotiations. There seems to be an ongoing »marginalization« of the central LO.

The structure debate and the extra-ordinary congress in the LO can be seen as an attempt to come to terms with some of these problems. Using recent theoretical contributions on »free rider« and »collective action« problems emphasis is laid in this article on the production of private and collective goods, respectively.

The new structure does not really tackle the problem of unions vs-cartels. This may prove the true stumbling block, since collective bargaining has always been the most central aspect of Danish unionism.