

# **Institutional analysis and the role of ideas in political economy**

JOHN L. CAMPBELL

*Dartmouth College*

In reaction to rational-choice theory scholars have tried to understand better how ideas, such as economic theories, norms, and values, rather than self interests, influence policy making.<sup>1</sup> However, critics have charged that at least two serious problems have hampered this effort.<sup>2</sup> First, the concept of ideas and their effects on policy outcomes have been poorly conceptualized. Many scholars agree that an analytic distinction should be drawn between ideas and interests as determinants of policy,<sup>3</sup> but what they mean by ideas has varied widely from broad notions of culture, shared belief systems, and world views to specific strategies of action and policy programs.<sup>4</sup> Second, critics maintain that proponents of the ideas perspective have not provided convincing empirical evidence to support the claim that ideas affect policy outcomes in ways that are truly independent from the effects of interests – a problem that stems in part from the poor conceptualization of ideas and their effects in the first place.

This article sharpens the concept of ideas and clarifies how ideas affect policy making. As a result, it rectifies the first problem and takes an important step toward resolving the second. In so doing, it draws insights from the two theoretical perspectives that have questioned the assumption that politics are driven solely by actors operating according to a self-interested cost-benefit calculus. The first view, *historical institutionalism*, has been developed by political sociologists and political scientists,<sup>5</sup> while the second, *organizational institutionalism*, stems from the work of organizational sociologists.<sup>6</sup> I argue that each perspective has unique theoretical blind spots that create the possibility for cross-fertilization and an improved understanding of different types of ideas and how they influence policy making. Although scholars from both traditions have become interested in the effects of ideas on policy making, virtually no one has tried to blend these two perspectives in

ways that enhance our knowledge of these issues. Indeed, only a small handful of scholars have compared these viewpoints at all and most have either argued for one theory over the other<sup>7</sup> or simply called for rather than provided a synthesis.<sup>8</sup> Some theorists have combined certain elements from each perspective to show how material and symbolic factors simultaneously determine outcomes, but they have done little to refine the concept of ideas per se or to identify the unique effects that different types of ideas have on policy making.<sup>9</sup>

I begin by briefly comparing how historical and organizational institutionalism treat the issue of ideas and policy making. The key insight of historical institutionalism is its theory of constraint, that is, its explanation of how ideas and institutions limit the range of possible solutions that policy makers are likely to consider when trying to resolve policy problems. More specifically, historical institutionalists hold that underlying normative structures restrict the set of policy ideas that political elites find acceptable and formal institutions mediate the degree to which elites transport different ideas into policy-making arenas for consideration. Organizational institutionalists have a theory of constraint that focuses on underlying cognitive rather than normative structures. They also offer a theory of action, that is, an account of how actors define and articulate their policy problems and solutions initially by utilizing the institutionalized scripts, cues, and routines that constitute their cognitive frameworks and empower them to act. Second, I extend the insights of each perspective to create a typology of ideas based on two structural dimensions. There are four distinct types of ideas depending on whether they operate primarily at a cognitive or normative level and whether they constitute the explicit arguments or underlying assumptions of policy debates. Third, I indicate the utility of this scheme by showing how during the late 1970s and early 1980s each type of idea had important effects that helped conservative supply-side economics rather than its chief intellectual rival, liberal industrial policy, to become the dominant conceptual framework for macroeconomic policy making in the United States. In brief, supply-side economics became politically influential because it offered clearer and simpler programmatic policy guidelines for resolving important economic problems, better fit the existing cognitive and normative constraints that policy makers faced, and was more effectively framed for discursive purposes than industrial policy. Thus, I argue that different types of ideas, identified by their structural features, had different effects on policy making. Finally, I examine the theoretical and methodological implications of the argument.

I refer to the rise of supply-side economics simply as an illustration and recognize the need to be careful about reading too much from one case, which, of course, cannot constitute unequivocal proof. Furthermore, I do not claim that ideas alone caused the rise of supply-side policies in America. Material interests and the resources backing them were important too. I show here that the relationship between interests and ideas is more complex than the interests-versus-ideas debate often acknowledges. Indeed, to ask whether *either* interests *or* ideas are the chief determinants of policy outcomes is a misleading way to pose the issue because it neglects the possibility that it is the interaction between the two that counts and that some types of ideas are endogenous to the policy process in the sense that they are influenced by policy struggles in which interests, resources, and power loom large. Hence, supply-side ideas captured the imagination of policy makers in part, but not entirely, because they were connected to the organizational resources of powerful political and economic interests.

### **Historical institutionalism**

Because historical institutionalism was derived from the materialist views of Marx and the comparative history of Weber, for many years it was a perspective that assumed that the material interests of political and economic actors motivated politics and that these interests were institutionally determined.<sup>10</sup> By institutions historical institutionalists generally meant formal and informal rules and procedures, such as those codified in the law or deployed by states and other bureaucratic organizations.<sup>11</sup> However, they gradually discovered that politicians as well as actors outside the state occasionally struggled for political change in order to improve government, the economy, and society in general rather than simply for the sake of personal gain.<sup>12</sup> The lesson for these scholars was that ideas as well as self interest mattered. But how?

A small handful of scholars began studying the conditions under which ideas influenced policy makers in areas such as macroeconomic policy,<sup>13</sup> international relations,<sup>14</sup> and the early development of social-welfare policies in Europe and North America.<sup>15</sup> The general thrust of this literature was that the power of ideas depends largely on how much support they receive from political parties, unions, the business community, and influential political and intellectual elites and how much institutional access these actors have to critical policy-making arenas.<sup>16</sup>

For example, Margaret Weir and Theda Skocpol showed how different forms of Keynesianism were adopted in Sweden, Britain, and the United States during the 1930s largely as a result of Keynesian economists having different institutional opportunities to penetrate policy-making venues in each country.<sup>17</sup> They concluded that institutional constraints mediated the influence of ideas on policy.

Historical institutionalists have always focused on how institutional factors, such as the relative insulation and centralization of political elites or the relationships between branches of government, constrain policy making.<sup>18</sup> So it is not surprising that their first impulse, in studying how ideas affect policy making, was to explore how institutions constrained the impact of ideas on the policy process. However, they often overlooked how ideas themselves can constrain policy making.<sup>19</sup> Subsequent work began to address this issue. Some researchers recognized that policy makers use policy ideas as the basis for creating new policy tools, government agencies, and other formal institutions that limit policy options later,<sup>20</sup> but this argument remained close to the traditional notion that institutions rather than ideas per se are the critical policy-making constraints.<sup>21</sup> More important, a few scholars argued that for policies to be adopted they must fit with the underlying norms and values of a society.<sup>22</sup> Focusing on normative constraints was a sharper break with traditional historical institutionalism.

Despite these advances researchers paid little attention to how ideas facilitate rather than constrain action. Their contribution in this regard was rather modest, acknowledging simply that ideas spur action by providing specific “road maps” out of policy dilemmas.<sup>23</sup> For instance, they argued the obvious point that policy makers use economic theories as explicit guides for reducing inflation, stimulating economic growth, resolving trade imbalances, and solving other policy puzzles. In this sense, ideas push policy making in very precise directions by giving policy makers clear reasons to adopt a specific course of action. Of course, for most historical institutionalists whether this happened still depended largely on whether key elites deemed these ideas to be normatively acceptable and whether they could transport them through institutional channels into influential policy-making arenas.

As a result, historical institutionalists neglected how elites and other actors deliberately package and frame policy ideas to convince each other as well as the general public that certain policy proposals constitute plausible and acceptable solutions to pressing problems. Indeed,

the ability of elites to transport an idea into influential arenas may turn on their ability to package and frame it successfully in the first place – hence, the importance of “spin doctors,” media relations personnel, and other communications specialists in politics.<sup>24</sup> Furthermore, historical institutionalists ignored how the content of underlying norms and values provides the symbols and other elements that political actors use in carrying out these more explicit and deliberate manipulations.<sup>25</sup> For example, in an influential discussion of ideas and policy making, Peter Hall acknowledged that national political discourse sets important normative limits on policy-making options but barely mentioned that these structures also provide participants in policy debates with a conceptual repertoire for actively framing these options and did not theorize how such framing occurs.<sup>26</sup> The point is that ideas facilitate policy-making action not just by serving as road maps, but also by providing symbols and other discursive schema that actors can use to make these maps appealing, convincing, and legitimate. Organizational institutionalists have had more to say about this.

### **Organizational institutionalism**

Organizational institutionalism constitutes a branch of organizational sociology that is based on phenomenology. Its adherents maintain that, because organizational environments are often uncertain, people’s interests are ambiguous and thus their actions are motivated more by institutionalized routines, habits, rituals, scripts, and cues than interests.<sup>27</sup> To differentiate themselves from earlier organizational theorists who stressed how behavior was normatively based, organizational institutionalists stress that routines, habits, etc., are important parts of an actor’s underlying cognitive framework and that actors rarely subscribe to them self-consciously or deliberately, due to the fact that cognitive frameworks are generally so taken for granted that they are virtually invisible to the actors themselves.<sup>28</sup>

Some scholars used this approach to theorize how ideas affect policy making and state building.<sup>29</sup> For example, Frank Dobbin argued that ideas in the form of national political cultures determined how policy makers promoted railway development in the late nineteenth century.<sup>30</sup> By “culture” Dobbin meant the shared conceptions of reality, institutionalized meaning systems, and collective understandings that guide policy making – cognitive structures that are rationalized in the sense that policy makers take them for granted as part of the nature of

reality.<sup>31</sup> Traditionally, he argued, French political culture held that centralized state institutions and state sovereignty were the keys to political order. As a result, political elites in Paris choreographed railway development with a heavy hand, to ensure that self-interested firms did not jeopardize the development of an efficient and well-coordinated national rail system serving the public interest. Conversely, in the United States, policy makers assumed that markets, local self rule, and community sovereignty were the sources of political order. Hence, they initially based rail policies on government activism at the state and local levels and, later, on the reinforcement of market mechanisms by the Interstate Commerce Commission. Variation in cognitive frameworks was responsible for nationally unique policy outcomes.

There is a tension within organizational institutionalism insofar as cognitive structures are both constraining and enabling.<sup>32</sup> On the one hand, structures constrain in the sense that the underlying cognitive frames and schema through which actors view and interpret the world limit the possibilities for action.<sup>33</sup> Some possibilities are simply not recognized due to the cognitive blinders with which actors operate. For instance, in Dobbin's view it would never have occurred to French political elites to relinquish railway planning to local authorities and private actors because it was not part of their institutionalized political culture. On the other hand, to infuse their perspective with a theory of action, organizational institutionalists also claim that structures "enable" and "empower" actors to generate solutions to their problems by providing cues and scripts that "constitute" legitimate forms of action.<sup>34</sup>

Action-oriented metaphors, such as these, are common in this literature. However, critics have charged that by relying on these metaphors organizational institutionalists fail to specify the causal processes through which structures enable and empower actors and constitute action.<sup>35</sup> As a result, they neglect the important role of agency in policy making and their theory of action leaves the impression that actors are institutional dopes blindly following the institutionalized scripts and cues around them.<sup>36</sup> For instance, Dobbin argued that French policy makers initially employed a central state planning model to build highways and then *transposed* this model to the development of canals and then railroads, but he did not specify whether this was a conscious and thoughtful adoption of policy-making patterns inherited from the past or not, so the role of agency in his account is unclear.<sup>37</sup> Other analyses of transposition fare better. Notably, Yasemin Soysal showed that, as a

new model of citizenship emerged at the world level during the latter half of the twentieth century, it was gradually adopted by many nation states, but with significant variations across countries because local actors tailored the new model to existing national political institutions.<sup>38</sup> The point is that acknowledging the self-conscious capacity of actors to engage in deliberate and creative transposition is one way to inject agency into structural explanations and develop a more refined and dynamic theory of action.<sup>39</sup>

Mary Douglas identified a second way to do this.<sup>40</sup> She maintained that actors self-consciously craft solutions to their problems through a process of *bricolage*, through which they recombine already available and legitimate concepts, scripts, models, and other cultural artifacts that they find around them in their institutional environment.<sup>41</sup> In this view, change results from the deliberate modification and recombination of old institutional elements in new and socially acceptable ways. Ann Swidler developed a similar idea that culture provides the “tool kit” with which actors construct their world views and devise strategies of action.<sup>42</sup> Ironically, although organizational institutionalists often refer to Douglas’s work insofar as she recognizes that new institutions are constructed in socially appropriate ways, they pay less attention to her discussion of *bricolage*, although it is certainly consistent with their arguments.<sup>43</sup>

In summary, compared to how historical institutionalists view the influence of ideas on policy making, the insights of organizational institutionalism are twofold. First, insofar as historical institutionalists see that ideas constrain policy making at all, they have focused almost entirely on how the background constraints underlying policy debates are normative. Organizational institutionalists have deliberately moved away from this position in a cognitive direction.<sup>44</sup> Second, whereas historical institutionalists have a rather static and simplistic view of how ideas constitute action by means of exogenously given road maps, at least some organizational institutionalists offer the possibility for a more dynamic theory of action that acknowledges the importance of agency through the concepts of transposition and *bricolage* – terms that capture the notion that actors self-consciously devise solutions to their problems by deliberately manipulating explicit, culturally given concepts that reside in the cognitive foreground.

### **Possibilities for cross-fertilization**

Scholars have argued that there has been a strong tendency for excessively one-sided views to predominate in discussions of these issues at the expense of comprehensive theoretical development.<sup>45</sup> Indeed, despite the fact that both historical and organizational institutionalists are concerned with ideas as determinants of policy making there has been astonishingly little cross-fertilization between these two perspectives. This is particularly striking insofar as the insights of each one often complement the blind spots of the other. One would expect that theoretical progress could be made by blending elements of these two perspectives. How can this be done to improve our understanding of the relationship between ideas and policy making?

The comparison of historical and organizational institutionalism reveals two conceptual distinctions that are useful for identifying different types of ideas that are relevant for policy making. First, ideas can be underlying and sometimes taken-for-granted assumptions residing in the background of policy debates. However, ideas can also be concepts and theories located in the foreground of these debates where they are explicitly articulated by policy-making elites. Although the distinction between background and foreground is inspired by organizational institutionalism's recognition that some ideas are so taken for granted that they are invisible, the concept of background assumptions adopted here is not as strong. That is, background assumptions can be visible to actors yet taken for granted in the milder sense that they remain largely accepted and unquestioned, almost as principles of faith, whereas ideas in the foreground are routinely contested as a normal part of any policy debate. Second, ideas can be either cognitive or normative. At the cognitive level ideas are descriptions and theoretical analyses that specify cause-and-effect relationships whereas at the normative level ideas consist of values and attitudes. Recently scholars in both camps have urged that the distinction between cognitive and normative ideas be incorporated into analysis but have not indicated how this should be done.<sup>46</sup> The typology represented by Table 1 shows how this can be accomplished. By combining these structural distinctions we can identify four types of ideas: paradigms, public sentiments, programs, and frames.

Although the typology is based on structural distinctions, I show here that each type of idea exerts unique effects on policy making. Thus, the typology serves an analytic as well as taxonomic function. As elaborated



Table 1. Types of ideas and their effects on policy making

	Concepts and theories in the foreground of the policy debate	Underlying assumptions in the background of the policy debate
Cognitive level	<p><i>Programs</i></p> <p>Ideas as elite policy prescriptions that help policy makers to chart a clear and specific course of policy action</p>	<p><i>Paradigms</i></p> <p>Ideas as elite assumptions that constrain the cognitive range of useful solutions available to policy makers</p>
Normative level	<p><i>Frames</i></p> <p>Ideas as symbols and concepts that help policy makers to legitimize policy solutions to the public</p>	<p><i>Public sentiments</i></p> <p>Ideas as public assumptions that constrain the normative range of legitimate solutions available to policy makers</p>

below, *paradigms* are cognitive background assumptions that constrain action by limiting the range of alternatives that policy-making elites are likely to perceive as useful and worth considering. *Public sentiments* are normative background assumptions that constrain action by limiting the range of alternatives that elites are likely to perceive as acceptable and legitimate to the public. Of course, what is often most important is how elites perceive public sentiments, rather than public sentiments per se. In the foreground of policy debates, *programs*, or policy prescriptions, are cognitive concepts and theories that facilitate action among elites by specifying how to solve specific policy problems, whereas *frames* are normative concepts that elites use to legitimize these programs to the public through processes such as transposition and bricolage. Paradigms and public sentiments are second-order concepts insofar as they constitute the underlying ideas upon which the first-order concepts, that is, programs and frames, rest, respectively.

### Ideas and the rise of supply-side economics

To elaborate and illustrate the analytic utility of this scheme, the discussion that follows describes how each type of idea contributed to the rise of the supply-side approach to macroeconomic policy making in the United States. Central to this approach was the idea that federal government expenditures and especially income taxes should be cut – an approach that culminated in passage of the Reagan administration's 1981 Economic Recovery Tax Act, the largest tax cut in U.S. history, a

bold attempt to revitalize the economy, and a radical departure from the Keynesian approach that had dominated macroeconomic policy making since the Second World War. Because this was a time when economists and policy makers were debating the merits of different macroeconomic policy approaches, notably supply-side economics versus industrial policy, this case also provides valuable insights about why some ideas have greater influence on policy making than others.

### *Ideas as programs*

Programmatic ideas help actors to devise concrete solutions to their policy problems.<sup>47</sup> These are often technical and professional ideas that specify cause-and-effect relationships and prescribe a precise course of policy action. They are often presented in policy briefs, position papers, advisory memos to policy makers and congressional testimony. Actors use these ideas self-consciously and deliberately. Examples include specific supply-side and industrial policy proposals for revitalizing the U.S. economy.

During the late 1970s there was tremendous debate among policy-making elites and economists as to how best to solve the nation's twin economic problems, economic stagnation and double digit inflation (stagflation). However, most agreed that standard Keynesian policies were failing because the inverse relationship between unemployment and inflation as represented by the well-known Phillips curve that had guided Keynesian policy making for decades no longer held. As a result, Keynesianism fell into disrepute and an atmosphere of intellectual crisis prevailed among economists and policy makers.<sup>48</sup> A variety of alternatives emerged. For instance, supply-side economists urged that deep cuts in marginal income tax rates for individuals as well as corporate income taxes would stimulate capital investment thereby increasing economic growth and reducing unemployment. Moreover, supply siders argued that this could be done without exacerbating inflation because these tax cuts would stimulate investment rather than consumption. Following Arthur Laffer, an economist at the University of Southern California, some also believed that tax cuts would reduce budget deficits because the increased revenues stemming from reinvigorated economic activity would more than compensate for those lost by lowering marginal tax rates.<sup>49</sup>

Many liberal and conservative economists criticized supply-side economics.<sup>50</sup> However, programmatic ideas often appeal to policy makers more because they provide a clear and concise course of action than because economists agree on their theoretical rigor or empirical validity.<sup>51</sup> In this regard, supply-side economics had a tremendous advantage over the alternatives because neither its policy recommendations nor its account of how tax cuts would resolve the stagflation problem were complicated. Just cut taxes and everything else would automatically fall into place. In contrast, industrial-policy advocates argued that stagflation was rooted in the institutional arrangement of the economy and thus favored policies that involved complex government interventions, such as forming tripartite planning boards involving business, labor, and government leaders and creating new government agencies to channel investment capital to key industries and firms – prescriptions that called on government to build new institutions, pick industrial winners and losers, and figure out how to finance additional government spending.<sup>52</sup> The fact that this sort of complexity was unnecessary within the supply-side framework was an important reason why policy makers favored it.<sup>53</sup> Thus, although there were a variety of policy road maps around, those that were simplest and easiest to read had an edge.

Cognitive clarity was further enhanced by the fact that, although some supply siders disagreed that tax cuts would reduce the budget deficit, they all concurred that tax cuts were necessary. As a result, they constituted a united intellectual front when it came to making policy recommendations.<sup>54</sup> This was not true of industrial-policy advocates. While some wanted to establish a government investment bank, modeled after the New Deal's Reconstruction Finance Corporation, to revitalize old troubled industries like steel and automobiles, others favored channeling investment into new industries, such as computers, electronics, and biotechnology, at the expense of traditional manufacturing. While some wanted centralized corporatist advisory boards to coordinate research and development strategies and devise selective tax cuts and export promotion schemes, others rejected corporatism and argued for more decentralized forms of cooperative economic decision making. This dissention made it impossible to forge a clear, concise, and unified set of policy proposals and, as a result, undermined the appeal of industrial policy to policy makers.<sup>55</sup>

In fact, supply siders worked hard to package their ideas in clear and simple terms. Several popularized versions of the argument were written and disseminated widely to policy makers and the general public.

Notable among them was a series of editorials written by Jude Wanniski in *The Wall Street Journal* and George Gilder's best seller, *Wealth and Poverty*, which was serialized in several newspapers and adopted as a Book-of-the-Month Club selection.<sup>56</sup> These presented the supply-side program in uncomplicated terms, often referring in particular to the so-called Laffer curve, an elementary depiction of the idea that lower tax rates increased revenues. The Laffer curve became a powerful pedagogical symbol that many supply siders used when presenting their position. It was a symbol that generated tremendous publicity in newspapers and magazines and helped put supply-side economics at the center of the burgeoning policy debate.<sup>57</sup> Of course, politically liberal academics and journalists writing for *Business Week*, *The Washington Post*, *The New Republic*, and certain other publications tried to popularize the industrial-policy alternatives. But as Robert Reich and Ira Magaziner, two of the most prominent industrial-policy supporters, admitted later, their ideas failed to have more impact in Washington because they had not streamlined them enough for policy makers and so industrial policy remained a vague and sometimes contradictory prescription for action.<sup>58</sup> Furthermore, they failed to develop an attractive pedagogical symbol that could rivet attention like the supply siders' Laffer curve or the Keynesians' Phillips curve before that. Such symbols have often been important in convincing politicians of the merits of a particular theoretical approach to economic policy making.<sup>59</sup>

Although the supply-side program was relatively simple in its own right, a sophisticated and well-funded organizational infrastructure helped supply siders to package their ideas as succinctly as possible. During the 1970s, in response to the perceived domination of Washington politics by liberals, conservative think tanks, such as the Heritage Foundation, the American Enterprise Institute, and the Manhattan Institute, pioneered aggressive approaches to distilling academic knowledge into simple forms and disseminating them to the government through brief position papers and to the public through popular books, journal articles, radio and television appearances, and op-ed pieces in the newspapers. Gilder's book, for instance, was underwritten by the Manhattan Institute. In contrast to moderate and liberal think tanks, such as the Brookings Institution, where industrial-policy advocates enjoyed some support, these conservative organizations specialized in packaging and marketing rather than creating new ideas and viewed political advising more as an exercise in intellectual salesmanship than scholarship. The Heritage Foundation in particular pushed the supply-side argument in this way.<sup>60</sup> Industrial-policy proponents were at a disadvantage without

comparable organizational support. Hence, the cognitive clarity and simplicity of supply-side ideas and thus their appeal to policy makers as well as the public depended not just on the nature of the ideas themselves, but also on the self-interested, strategic efforts of actors deliberately to render them in this way as an endogenous part of the struggle over public policy.

It is worth noting that there have also been other cases where parsimony, or the lack thereof, was important in determining the fortunes of programmatic ideas. First, despite the fact that many large corporations, unions, and other well-financed groups backed the Clinton administration's proposed health-care reforms in 1993–1994, the proposal was never enacted in part because the administration presented it in excessively vague, complex, and ambiguous terms that, on the one hand, failed to unify support within the Democratic party, Congress, and the general public and, on the other hand, created an opportunity for conservative opponents to argue effectively that it was a dangerously complicated and confused proposal.<sup>61</sup> Second, regardless of fierce opposition from the dominant corporations and unions in the airline and trucking industries, economic deregulation proceeded in the United States during the late 1970s and early 1980s in both industries in part because reform was conceptually uncomplicated, logical, and thus conducive to consensus building among policy makers, academic experts, and government regulators.<sup>62</sup> In both cases, parsimony mattered in ways that were relatively independent of the alignment of material interests and resources.

### *Ideas as paradigms*

Paradigms constitute broad cognitive constraints on the range of solutions that actors perceive and deem useful for solving problems. In contrast to programmatic ideas, which are precise, concrete, and policy-specific courses of action articulated consciously by policy makers and experts in the cognitive foreground, paradigms generally reside in their cognitive backgrounds as underlying theoretical and ontological assumptions about how the world works. Insofar as economic policy is concerned, they are typically revealed in core economics curricula in graduate schools, seminal theoretical texts, and other abstract academic publications written by esteemed scholars.<sup>63</sup> Paradigmatic effects are profound because they define the terrain of policy discourse.<sup>64</sup> When programmatic ideas fit the dominant paradigm they appear natural

and familiar and, as a result, are more likely to appeal to policy makers than alternatives that do not.<sup>65</sup>

Some paradigms are more dominant than others. Important here is the degree to which they are institutionalized within leading universities, think tanks, and professional organizations that provide policy makers with a particular cognitive world view. During the 1970s and early 1980s, the major economics departments in the country, such as those at the University of Chicago, Harvard, and Stanford, the top economics journals like the *American Economic Review*, and virtually all of the major liberal and conservative think tanks embraced the paradigmatic principles of neoclassical economics. The heterodox paradigms like institutional economics and Marxism received more attention at less elite schools like Michigan State University, Rutgers, and the University of Massachusetts-Amherst, less conventional journals, including the *Journal of Economic Issues* and the *Review of Radical Political Economics*, and more marginal think tanks like the left-wing Institute for Policy Studies.<sup>66</sup> Insofar as the appeal of ideas is derived in part from the status of their sponsors<sup>67</sup> the fact that neoclassical economics was associated closest with the most prestigious departments, journals, and research institutes certainly enhanced its influence.

As a result, neoclassical principles dominated economic discourse and the paradigm's central tenets, which most policy makers and economists took for granted, limited the range of solutions to economic problems that they viewed as making sense.<sup>68</sup> Of particular importance were the core neoclassical assumptions that markets develop naturally; that a healthy economy depends on the ability of individual economic actors to pursue their self interests; that competition among private actors is the source of economic innovation and growth; and that excessive government intervention undermines efficient market activity.

These assumptions took on special significance in the late 1970s. Consensus around Keynesian policy prescriptions had dissolved and no programmatic alternative had emerged yet to replace it as the new policy-making standard.<sup>69</sup> As a result, most economists and policy makers, confronted with the need to solve the stagflation riddle, fell back on their deeply held paradigmatic assumptions for guidance. Indeed, the economics profession was in theoretical disarray, had difficulty identifying appropriate policy responses to current economic problems and, as a result, began to suspect that policy was often futile and that government should simply leave market forces alone. At the

level of abstract theory this was reflected in the growing popularity among academic economists of rational expectations theory, which suggested that policy often failed because people anticipated policy moves and adjusted their behavior in advance in ways that neutralized the impact of policy, an argument thoroughly consistent with neoclassical assumptions that government intervention is often ineffective, if not counter productive. At the level of programmatic policy prescription this created a situation ripe for laissez-faire approaches like supply-side economics that fit closely with the prevailing theoretical pessimism of the economics profession and, more important, the core assumptions of the neoclassical paradigm.<sup>70</sup> In particular, supply siders were true to these assumptions in arguing that the country's economic problems were due to excessive government interference with the economy, notably through burdensome taxation, that undermined the individual initiative of corporations and workers. After all, they asked, why should corporations invest and innovate in order to increase profits and why should employees work harder to earn more money if the government appropriates the fruits of these efforts through high taxes? In other words, if government left these economic actors alone by reducing taxes, their entrepreneurialism, competitive spirit, and work ethic would flourish naturally, thus spawning technological innovations, new markets, more jobs, greater productivity, and a healthier economy.

In contrast, industrial-policy approaches were based on institutional economics, a paradigm whose assumptions deviated sharply from neoclassical economics. In brief, institutional economics does *not* assume that markets occur naturally; that the pursuit of individual self-interest necessarily results in a healthy economy; that private competition is necessarily the key to economic innovation and growth; or that government intervention always undermines market efficiency.<sup>71</sup> As a result, industrial-policy advocates offered programmatic ideas that contradicted the basic neoclassical paradigm. They called for government to help create new markets and facilitate the competitiveness of U.S. firms by providing considerable assistance through the provision of research and development funds, technology, tariff protection, worker-training programs, and infrastructure. Because these things were expensive they might require higher taxes and, as a result, still more government intervention. Similarly, they suggested that a healthy economy entailed long-range investment strategies that required corporations to worry less about immediate profitability and more about developing new products and production technologies that would secure their long-term competitive advantage. This implied higher taxes on

short-term capital gains as a way to entice investors to develop more patient investment strategies. Industrial-policy proponents also stressed how the key economic actors were not just self-interested individuals but organized groups, such as trade unions, business associations, and networks of firms, that needed to cooperate as well as compete in ways that would improve the economy's health, and would do so only if government created the proper incentives.<sup>72</sup>

As industrial-policy supporters eventually acknowledged, one of their problems was that their programmatic ideas did not resonate well with the dominant neoclassical paradigm, whose assumptions remained largely unchallenged.<sup>73</sup> Indeed, even some politically liberal economists attacked industrial policy arguing that the nation's economic condition stemmed from macroeconomic and cyclical problems, not institutional ones – a critique that was consistent with neoclassical orthodoxy rather than the heterodox canons of institutional economics.<sup>74</sup> In short, the paradigmatic advantage went to supply-side economics.

### *Ideas as public sentiments*

Whereas paradigmatic ideas constrain the cognitive range of solutions that policy makers perceive as instrumentally useful, public sentiment constrains the normative range of solutions that they view as politically acceptable. After all, even if a solution is deemed instrumentally effective, it may not receive serious consideration if it lacks political legitimacy. Public sentiment consists of broad-based attitudes and normative assumptions about what is desirable or not. Because public sentiment covers such a wide range of issues, it does not necessarily constitute a coherent, consistent set of issue positions, i.e., broad-based sentiment in one issue area may contradict that in another. In contrast to paradigms, which are assumptions held by policy makers and experts, public sentiments are assumptions held by large segments of the general public. Policy makers discern these through public-opinion polls and other forms of constituent feedback.<sup>75</sup> Hence, public sentiments are generally not so taken for granted that they are invisible.

The debate over economic policy was constrained by deep suspicions about the wasteful and corrupt ways of big government. These concerns have always been central to national public sentiment and have long been reflected in opposition to budget deficits and high taxes,<sup>76</sup> but they became particularly acute during the 1970s. Since the Second



World War, a majority of Americans almost always felt that their federal taxes were too high, especially if they perceived government spending as extravagant, but by the late 1970s this number had grown to over 70 percent of Americans polled.<sup>77</sup> Furthermore, surveys indicated that by 1980 the vast majority of citizens had become increasingly concerned about budget deficits, associated deficits with government profligacy, and favored a balanced budget.<sup>78</sup> As a result, reducing deficits had become code in Washington for reducing the size and exorbitance of government.<sup>79</sup> Indeed, politicians who argued that deficits were benign often outraged their constituents and learned that proposing almost anything that might exacerbate deficits was politically unacceptable. Even the liberal Democratic black caucus that traditionally advocated more spending on government programs at the expense of larger deficits began calling for budget balancing through spending cuts.<sup>80</sup>

All of this bore heavily on efforts to tackle the stagflation problem. In such an anti-big-government environment industrial-policy supporters faced severe obstacles. After all, their arguments for more federal spending on research and development, infrastructure, and the like amounted to calls for *bigger* government. So did their prescriptions about how to pay for it because they generally recommended either more deficits or tax increases. Of course, funds could be redirected from other programs, notably defense, as some industrial-policy advocates urged, but this was a difficult position to defend politically because public support for additional defense spending was rising sharply, especially after the Iran hostage crisis and the Soviet Union's invasion of Afghanistan in 1979.<sup>81</sup> In contrast, the supply-side program promised less government through lower taxes, smaller budget deficits, and reductions in federal spending, especially social-welfare programs. Policy makers from both political parties recognized how well all of this resonated with prevailing public sentiment, which is one reason why Democrats as well as Republicans began to suggest tax cuts during the late 1970s.<sup>82</sup>

It is important to remember that policy makers themselves may hold these same attitudes. Nowhere was this more evident than with Ronald Reagan. Indeed, Reagan's deep suspicion of big government was one reason why he favored tax cuts so strongly.<sup>83</sup> Edwin Meese, one of Reagan's long-time advisors, remarked that this basic perspective was never open to question or debate in the White House, and other members of Reagan's inner circle reported that they were supposed to be keepers of this central ideological faith. For instance, when it became

apparent that at least some legislative pork would have to be written into the 1981 Tax Act in order to ensure its passage through Congress, Reagan reluctantly agreed, but drew the line when it came to reducing the tax cut for individuals and ordered his lieutenants to stand firm on this principle.<sup>84</sup> Thus, ideas about what is socially appropriate constrain policy makers in two ways. First, and most important, public sentiment affects the constituent pressures to which policy makers pay close attention. Second, policy makers may also hold these sentiments, which then limit the range of policy options they themselves believe to be normatively acceptable.

Deeply held public sentiments become especially influential during policy episodes veiled in uncertainty. After all, the debate between supply siders and industrial-policy supporters was fierce precisely because there was no consensus about the causes of stagflation.<sup>85</sup> When the truth is illusive and knowledge vacuums such as this arise policy makers place greater emphasis on whether a particular policy option coincides with important social values.<sup>86</sup> Nonetheless, although public sentiment as well as intellectual paradigms constrain the range of options that policy makers are likely to consider, they are rarely so precise and consistent that they determine specific policy choices in their own right.<sup>87</sup> How programmatic ideas are strategically framed is also important.

### *Ideas as frames*

Ideas provide actors with symbols and concepts with which to frame solutions to policy problems in normatively acceptable terms through transposition and bricolage. Indeed, in many policy areas the programmatic ideas that become most influential are those that experts, advisors, and others frame in ways that most closely coincide with or seem to protect central cultural values.<sup>88</sup> Frames appear typically in the public pronouncements of policy makers and their aides, such as sound bites, campaign speeches, press releases, and other very public statements designed to muster public support for policy proposals. Frequently the repertoires from which framers select symbols and concepts are precisely the values and opinions that are reflected in public sentiment in the first place. In this regard, actors intentionally appropriate and manipulate public sentiments for their own purposes. Hence, policy makers are not just constrained by public sentiment; they also enjoy some leeway to mobilize it toward their own ends.<sup>89</sup>

Many scholars described the 1981 tax reform as the result of intense lobbying by interest groups and political factions operating through the decentralized and fragmented structure of the state.<sup>90</sup> This is an important and well-known part of the story. However, historians have shown that some of the most important tax reforms, including the initial adoption of income taxes, were passed only after politicians framed them in ways that were consistent with prevailing public sentiment.<sup>91</sup>

Supply siders were deft at framing their programmatic ideas in this way.<sup>92</sup> First, they combined the tax-cut strategy with Jeffersonian images of a big, centralized, and expanding government whose consequences were devastating to the country and that could best be brought under control by limiting politicians' access to revenues.<sup>93</sup> Gilder, for instance, often argued that high taxes jeopardized individual freedom and public safety by encouraging tax evasion and other criminal activities and undermined the traditional American family by reducing net family income, forcing wives into the labor market, threatening their husband's manhood and fueling higher divorce rates.<sup>94</sup> Thus, his frame for justifying steep supply-side tax cuts was a bricolage that combined cherished beliefs in family and freedom with suspicions of big government. Second, supply siders transposed historical examples to frame their arguments in ways that were intended to appeal to the American public's normative sensibilities. Among the most striking examples was when Reagan and his advisors sought to support the business tax cut strategy by arguing that this was exactly what President Kennedy had done in 1963 to combat recession – a strategy so successful, they claimed, that it generated an additional \$54 million in federal revenue, as Laffer would have predicted.<sup>95</sup> Policy makers use famous historical events particularly if they are associated with public figures with high prestige like Kennedy as well as broad normative principles, such as Jeffersonianism, for framing purposes. Commenting on the supply-side victory over industrial policy, one political observer noted that Reagan was a master framer, offering the public, “an amalgam of images, aspirations, and expectations which resonated very powerfully with American ideas of personal and national identity. There was the challenge that liberals were unable to answer effectively.”<sup>96</sup>

Indeed, industrial-policy supporters stumbled badly over framing issues and seemed always to be on the defensive, in part because conservatives were quick to frame industrial policy in negative ways. For example, conservatives attacked industrial policy as a form of state planning

and, by implication, socialism.<sup>97</sup> Gilder repeatedly described industrial-policy advocates of all stripes, such as Lester Thurow, John Kenneth Galbraith, and Robert Heilbroner, as socialists and crypto-Marxists.<sup>98</sup> Industrial-policy supporters, including Reich, Magaziner, and Thurow, responded by refusing to use the word planning at all and vehemently denied that this was what they had in mind precisely because of their concerns over this framing problem.<sup>99</sup> Moreover, they searched hard for alternative language that might be more publicly palatable. For instance, industrial-policy advocates advising the Carter administration tried to shift attention away from planning imagery while also appealing to blue-collar workers in traditional manufacturing industries. Thus, sociologist Amitai Etzioni suggested the phrase “reindustrialization of America,” but after Carter’s arch political rival, Senator Edward Kennedy, happened to advance the idea of a Reindustrialization Corporation in a speech on how to solve the country’s economic woes, Etzioni’s term was unacceptable in the White House. Similarly, Thurow, Reich, and others substituted terms like “competitiveness policy” and “industrial strategy” to avoid the stigma and normative controversy surrounding the planning imagery.<sup>100</sup> In the end, however, observers agreed that, because industrial-policy supporters were unable to reframe their arguments in ways that were more appealing politically, industrial policy remained an ideological lightening rod of the worst kind.<sup>101</sup>

Supply siders also effectively neutralized the impact of many of the industrial-policy advocates’ favorite symbols. For instance, supporters of industrial policy often referred to the old Reconstruction Finance Corporation as a symbol of how the U.S. economy had enjoyed great success when government provided investment capital to businesses. However, conservatives countered by recalling that the agency had become mired in corruption, scandal, and other problems during its later years and therefore really demonstrated the need for a *laissez-faire* approach. Similarly, industrial-policy advocates pointed to Japan as an example of how mercantilist policies, directed by the Ministry of International Trade and Industry, could stimulate economic growth, but conservatives responded that Japan’s success lay instead in private-sector market forces, such as aggressive corporations, high savings rates, low capital costs, innovative management techniques, fewer lawyers, and less bureaucratic red tape.<sup>102</sup> Hence, framing was a dynamic process that evolved through struggle as one actor responded to the symbolic overtures of another, often by trying to appropriate the opponent’s symbols for their own purposes. It was a process made possible by the

malleability of symbols, historical examples, and analogies, driven by the clash of opposing frames and involving considerable creativity and ingenuity to transpose and recombine a variety of discursive artifacts.

Two issues require further elaboration. First, the selection of symbols and rhetoric for framing purposes is often a very strategic and deliberate activity because framers are acutely aware that a frame that fits the prevailing public mood is important in generating public support for policy proposals. For example, framing tax-cut proposals as representing a solution to budget deficits and big government became increasingly popular among supply siders during the 1980 presidential campaign because Reagan's campaign advisors recognized from public-opinion polls that deficits had become a particularly important public concern.<sup>103</sup> Indeed, whether a frame is effective often turns on how well framers monitor public sentiment, an activity that is, of course, a function of the level of resources at their disposal. One reason why the Reagan campaign was more effective than the Democrats at framing issues such as these in 1980 was that they extensively pretested their frames with focus groups and in selected media markets before they broadcast them more widely on television and radio. They even tested their ads against Democratic ads. Because they had less money the Democrats did very little of this and suffered in the campaign as a result.<sup>104</sup> The point is that although everyone tries to frame their policy proposals as effectively as possible, framers understand that the quality and effectiveness of frames is variable and that this can be discerned ahead of time, given adequate resources.

Second, although creativity is an important part of the framing process, so is the ability to project frames, once they have been built, to the intended audience. The supply siders' eventual success turned in part on being able to do this better than their opponents. Again organizational resources were important. Conservative think tanks were more interested and sophisticated in this sort of activity and had more resources to dedicate to it than their liberal counterparts.<sup>105</sup> Indeed, given the fact that deficits in 1980 were not substantially larger in real terms or as a percentage of Gross National Product than they had been for the previous fifteen years, this effort in conjunction with a massive conservative publicity campaign during the 1970s may have exacerbated public concern over deficits in the first place.<sup>106</sup> Moreover, during the 1980 presidential campaign, when the level of public debate over these issues was especially intense, Reagan had considerably more money for advertising his position than Carter.<sup>107</sup>

Thus, especially insofar as frames are concerned, there is a closer and more complex relationship among interests, resources, and ideas than much of the literature on ideas and policy making suggests. Put simply, the ability to influence policy making depends in part on finding which frames are the most appropriate and projecting them to the public – tasks that are endogenous to the policy-making struggle and that often depend, in turn, on the ability of various interests to dedicate resources to them. However, this does not mean that interests and resources alone determine policy-making outcomes. If they did, then frames would not matter, policy-making elites would not dedicate nearly as much money, time, and energy as they do to figuring out which frames work best and clever campaign advisers and spin doctors would not play such prominent roles in politics.

## Conclusion

To summarize briefly, juxtaposing the analytic strengths and weaknesses of historical and organizational institutionalism enables us to disentangle what we mean by ideas and to understand better how different types of ideas affect policy making. Ideas provide specific solutions to policy problems, constrain the cognitive and normative range of solutions that policy makers are likely to consider, and constitute symbols and concepts that enable actors to construct frames with which to legitimize their policy proposals.

This last point is especially important because it is the most obvious way in which my position differs from both organizational and historical institutionalism. Although organizational institutionalists focus almost exclusively on the unintended effects of largely taken-for-granted ideas,<sup>108</sup> the events depicted above show that the intentional manipulation of ideas through cognitively clear and concise packaging and normatively acceptable framing also requires theoretical attention. Most historical institutionalists who take ideas seriously also neglect how actors use ideas in this way, particularly insofar as frames are concerned.<sup>109</sup> This is particularly ironic in their case because several prominent historical institutionalists also contributed to a literature on social movements that speaks about the importance of cultural repertoires and idioms in framing movement issues.<sup>110</sup> It emphasizes that broad cultural themes provide a resonant backdrop for political messages; that messages are deliberately framed for public consumption; that frames are built from the raw materials provided by the broader

culture; and that this entails much contention among framed messages.<sup>111</sup> Indeed, the rise of supply-side economics involved just such a process. By conceptualizing this process for policy making, this article elevates agency to a more prominent and appropriate position in the analysis than either organizational or historical institutionalists have done and, as a result, provides a more balanced assessment of the ideational foundations of action and constraint. It also demonstrates that the ideational foundation of action has both a cognitive and normative dimension.

My argument also differs from organizational institutionalism by emphasizing that an analysis of powerful organizations and conflict must be incorporated into our theories of how ideas affect policy making. Critics have charged that organizational institutionalism rejects realist or materialist arguments, ignores the central role of conflict and struggle in institution building and policy-making, and avoids discussing how powerful organizations help enact the ideas that frame governmental policies.<sup>112</sup> The rise of supply-side economics was very much an intellectually and politically contested process in which powerful think tanks and other organizations mobilized substantial financial resources to influence policy making at the ideational level. In this regard, the argument presented here resembles that of other scholars who have shown that the rise and fall of policy ideas is a highly conflictual process.<sup>113</sup>

Researchers who seek to bring ideas and culture back into the analysis of politics have been criticized for failing to develop empirically grounded causal explanations and generalizations.<sup>114</sup> By comparing the political fortunes of two opposing sets of programmatic ideas, supply-side economics, and industrial policy, my argument contributes to our general understanding of the causal processes whereby some programmatic ideas affect policy making more than others. Specifically, the probability that a programmatic idea will affect policy making varies in part according to the extent to which it provides clear and simple solutions to instrumental problems, fits existing paradigms, conforms to prevailing public sentiment, and is framed in socially appropriate ways.<sup>115</sup> Whether these effects are patterned and systematically related to each other remains an open question, but one might hypothesize that they operate in a hierarchically nested fashion according to the following logic, which may not always be fully apparent to policy makers: Given the perception of a problem for which policy makers seek a remedy, a programmatic idea must be credible to them in the

sense that it fits the dominant policy paradigm. If it fits, then they must believe that it provides an effective solution to a policy-making problem – a perception that is enhanced to the extent that the idea is packaged in simple enough terms for policy makers to understand and that it provides clear policy guidelines. If policy makers perceive an idea to be useful in this sense, then it must fit with prevailing public sentiment. If it does not, then it must be framed so as to improve this fit. In other words, it is the cumulative effect of different types of ideas that influences whether a programmatic idea carries the day. For example, it was not just the fact that supply siders characterized industrial policy as socialism that ensured their success. After all, conservatives have been making such charges against liberals for decades. Instead, it was the combination of that frame and others combined with all the other effects described above that helped make the difference.

However, as I have stressed, arguing that ideational conditions affect policy-making outcomes does not mean that interests are unimportant. My claim is simply that fulfilling the criteria of simplicity and clarity, cognitive and normative fit and proper framing are *necessary* but not inevitably sufficient conditions for policy makers to adopt and deploy a programmatic idea. Indeed, the fact that the victory of supply-side economics over industrial policy turned on the material and organizational resources of people with explicit political agendas as well as the effects of various types of ideas suggests that it is the *interaction* of ideas and interests that is ultimately the important thing for scholars to consider.<sup>116</sup>

In this regard, my argument also differs from that often made by non-institutionalists who maintain that the ideas that influence policy making simply reflect the dominant material interests in society.<sup>117</sup> In particular, although the influence of organizational resources has a heavy effect on building effective frames, actors build frames from the already existing normative elements that constitute public sentiments, which do not arise simply because of the manipulations of powerful interests.<sup>118</sup> Furthermore, although the capacity to package programmatic ideas in parsimonious ways is enhanced by their links to organizational resources, these programs must fit with underlying paradigmatic assumptions whose origins and institutionalization are not due solely to the power of political and economic interests over universities and other arenas of intellectual discourse.<sup>119</sup> Indeed, the relationship among ideas, interests, and public policy is a complex one. A comprehensive analysis of the interactions among different types of ideas and interests,



particularly with respect to paradigms and public sentiments, is beyond the scope of this article, but specifying different types of ideas and their possible effects is an important starting point for such an investigation.

Similarly, a clearer specification of ideas and their effects is important for those who insist that interests have very *little* impact on policy-making outcomes. For instance, Dobbin maintained that national principles regarding the desirable relationship between state and economy rather than the material interests of business and political elites determined railroad policy.<sup>120</sup> He based his argument on an analysis of the public pronouncements, speeches, and official congressional and parliamentary proceedings recorded at the time. However, people may say one thing publicly but another privately, in order to shield their true motives from public scrutiny and otherwise legitimize their behavior.<sup>121</sup> Although Dobbin recognized that politicians may be committed to taken-for-granted cognitive paradigms, by focusing on public testimonies he neglected to investigate the possibility that they may also engage in much more self-conscious framing exercises to conceal ulterior motives including self interest. As a result, it is difficult to tell whether interests were at work in his empirical cases. Because his methodology was not sensitive to the full array of ideas and how they might have affected railroad policy making he failed to provide the sort of “crucial experiment”<sup>122</sup> that could have resolved the issue. A better test would have been to compare the public pronouncements against more private documents, such as personal diaries and correspondence where actors are less likely to conceal their true motives if they differ from those that they express publicly. Doing so would have created an opportunity to determine the degree to which the private thoughts of actors matched their public declarations, whether framing had occurred to conceal ulterior motives and whether self interests were involved. Of course, this still begs the question of how actors with particular beliefs come to occupy critical policy-making positions in the first place – a question posed by historical institutionalists and non-institutionalists alike and one that again focuses attention on the possible interactions between interests and ideas.

John Maynard Keynes once wrote that the ideas of economists, regardless of their empirical truth, are more powerful than is generally understood.<sup>123</sup> Nevertheless, those engaged in the ideas-versus-interests debate have run into methodological problems trying to decipher how much power ideas have on policy making because they have not specified precisely enough what they mean by ideas. My purpose has been to

suggest how we might think more clearly about ideas and their effects so that we can begin to overcome these methodological hurdles. This is the only way we can determine how powerful ideas really are.

### Acknowledgments

For comments on earlier versions I am indebted to Robert Alford, Steve Brint, Bruce Carruthers, Frank Dobbin, Bill Form, Roger Friedland, Judith Goldstein, Peter Hall, Bob Jenkins, Peter Kjaer, John Meyer, Ove K. Pedersen, Frances Fox Piven, Dick Scott, Jim Shoch, Yasemin Soysal, Ann Swidler, Rosemary Taylor, the *Theory and Society* Editors, and seminar participants at Harvard, Oxford, Stanford, Stockholm, and Ohio State Universities, and the Copenhagen Business School.

### Notes

1. E.g., Frank Dobbin, *Forging Industrial Policy: The United States, Britain, and France in the Railway Age* (New York: Cambridge University Press, 1994); Judith Goldstein and Robert O. Keohane, editors, *Ideas and Foreign Policy: Beliefs, Institutions, and Political Change* (Ithaca: Cornell University Press, 1993); Peter Hall, editor, *The Political Power of Economic Ideas* (Princeton: Princeton University Press, 1989).
2. Mark M. Blyth, "Any More Bright Ideas? The Ideational Turn of Comparative Political Economy," *Comparative Politics* 29/2 (1997): 229–250; John Kurt Jacobsen, "Much Ado About Ideas: The Cognitive Factor in Economic Policy," *World Politics* 47 (1995): 283–310; Albert S. Yee, "The Causal Effects of Ideas on Policies," *International Organization* 50/1 (1996): 69–108.
3. Margaret R. Somers, "What's Political or Cultural about Political Culture and the Public Sphere? Toward an Historical Sociology of Concept Formation," *Sociological Theory* 13/2 (1995): 113–144; Kathleen Thelen and Sven Steinmo, "Historical Institutionalism in Comparative Politics," in Sven Steinmo, Kathleen Thelen, and Frank Longstreth, editors, *Structuring Politics: Historical Institutionalism in Comparative Analysis* (New York: Cambridge University Press, 1992), 1–32.
4. Despite this analytic separation there are, of course, important relationships between ideas and interests. Notably, there is convincing evidence that self interest as an important motivation in the Western world is a historically specific social construction that emerged only after the concept of the individual gained privileged position over the concept of community. Albert O. Hirschman, *The Passions and the Interests* (Princeton: Princeton University Press, 1977). Thus, subjectively understood interests are in fact a particular type of idea. Nevertheless, as Weber recognized in his famous reference to how ideas act as the switchmen that determine the tracks along which interests push action, simply to dismiss the distinction between ideas and interests in this way is to ignore important differences in types

- of human motivation and determinants of political and other social outcomes. Max Weber, "The Social Psychology of the World Religions," in Hans Gerth and C. Wright Mills, editors, *From Max Weber: Essays in Sociology* (New York: Oxford University Press, 1946), 280.
5. Sven Steinmo, Kathleen Thelen, and Frank Longstreth, *Structuring Politics: Historical Institutionalism in Comparative Perspective* (New York: Cambridge University Press, 1992).
  6. Walter W. Powell and Paul J. DiMaggio, editors, *The New Institutionalism in Organizational Analysis* (Chicago: University of Chicago Press, 1991).
  7. Dobbin, *Forging Industrial Policy*.
  8. Peter A. Hall and Rosemary C. R. Taylor, "Political Science and the Three New Institutionalisms," *Political Studies* 44/4 (1996): 936–957; W. Richard Scott, "Institutional Analysis: Variance and Process Theory Approaches," in W. Richard Scott and John W. Meyer, editors, *Institutional Environments and Organizations* (Thousand Oaks, Cal.: Sage, 1994), 81–99.
  9. John L. Campbell and Ove K. Pedersen, "Theories of Institutional Change in the Postcommunist Context," in John L. Campbell and Ove K. Pedersen, editors, *Legacies of Change: Transformations of Postcommunist European Economies* (New York: Aldine de Gruyter, 1996), 3–26; Roger Friedland and Robert R. Alford, "Bringing Society Back In: Symbols, Practices, and Institutional Contradictions," in Walter Powell and Paul DiMaggio, editors, *The New Institutionalism in Organizational Analysis* (Chicago: University of Chicago Press, 1991), 232–263; William H. Sewell, Jr., "A Theory of Structure: Duality, Agency, and Transformation," *American Journal of Sociology* 91 (1992): 1–29.
  10. Peter Evans, Dietrich Rueschemeyer, and Theda Skocpol, editors, *Bringing the State Back In* (New York: Cambridge University Press, 1985); Peter A. Hall, *Governing the Economy* (New York: Oxford University Press, 1986); Peter J. Katzenstein, editor, *Between Power and Plenty* (Madison: University of Wisconsin Press, 1978). There have been very few attempts to describe the central paradigmatic features of historical institutionalism. (But see Theda Skocpol, "Bringing the State Back In," in Evans et al., editors, *Bringing the State Back In*, 3–37; Thelen and Steinmo, "Historical Institutionalism in Comparative Politics.") Hence, the characterization that follows is based largely on empirical work within this tradition.
  11. Thelen and Steinmo, "Historical Institutionalism in Comparative Politics," 2.
  12. Paul Quirk, "Deregulation and the Politics of Ideas in Congress," in Jane J. Mansbridge, editor, *Beyond Self-Interest* (Chicago: University of Chicago Press, 1990), 183–199; Dietrich Rueschemeyer and Theda Skocpol, editors, *States, Social Knowledge, and the Origins of Modern Social Policies* (Princeton: Princeton University Press, 1996); Theda Skocpol, *Protecting Soldiers and Mothers: The Political Origins of Social Policy in the United States* (Cambridge: Harvard University Press, 1992); Stephen Skowronek, *Building a New American State: The Expansion of National Administrative Capacities, 1877–1920* (New York: Cambridge University Press, 1982).
  13. Hall, *The Political Power of Economic Ideas*; Margaret Weir and Theda Skocpol, "State Structures and the Possibilities for 'Keynesian' Responses to the Great Depression in Sweden, Britain, and the United States," in Evans et al., *Bringing the State Back In*, 107–168.
  14. Peter M. Haas, "Introduction: Epistemic Communities and International Policy Coordination," *International Organization* 46 (1992): 1–35.
  15. Rueschemeyer and Skocpol, *States, Social Knowledge, and the Origins of Modern Social Policies*.

16. Peter A. Hall, "Conclusion: The Politics of Keynesian Ideas," in Hall, *The Political Power of Economic Ideas*, 361–391.
17. Weir and Skocpol, "State Structures and the Possibilities for 'Keynesian' Responses to the Great Depression in Sweden, Britain, and the United States."
18. G. John Ikenberry, "Conclusion: An Institutional Approach to Foreign Economic Policy," in G. John Ikenberry, David A. Lake, and Michael Mastanduno, editors, *The State and American Foreign Economic Policy* (Ithaca: Cornell University Press, 1988), 242; Thelen and Steinmo, "Historical Institutionalism in Comparative Politics," 14.
19. Some scholars have attributed the historical institutionalists' problem of under-theorizing the development and impact of ideas to excessively state-centered analytic assumptions. Friedland and Alford, "Bringing Society Back In." However, the problem stems more from the materialist theoretical heritage of the perspective. Indeed, many historical institutionalists rejected the state-centered versus society-centered dichotomy but still ignored the influence of ideas on policy making. E.g., John L. Campbell, *Collapse of an Industry: Nuclear Power and the Contradictions of U.S. Policy* (Ithaca: Cornell University Press, 1988); John L. Campbell and Leon N. Lindberg, "Property Rights and the Organization of Economic Activity by the State," *American Sociological Review* 55 (1990): 634–647; Hall, *Governing the Economy*; Katzenstein, *Between Power and Plenty*.
20. Judith Goldstein, *Ideas, Interests, and American Trade Policy* (Ithaca: Cornell University Press, 1993); Judith Goldstein and Robert O. Keohane, "Ideas and Foreign Policy: An Analytical Framework," in Goldstein and Keohane, *Ideas and Foreign Policy: Beliefs, Institutions, and Political Change*, 3–30; Paul Pierson, *Dismantling the Welfare State? Reagan, Thatcher and the Politics of Retrenchment* (New York: Cambridge University Press, 1994).
21. Jacobsen, "Much Ado About Ideas," 294–305; Yee, "The Causal Effects of Ideas on Policies," 86–89.
22. Hall, "Conclusion: The Politics of Keynesian Ideas"; Peter J. Katzenstein, "Coping with Terrorism: Norms and Internal Security in Germany and Japan," in Goldstein and Keohane, *Ideas and Foreign Policy: Beliefs, Institutions and Political Change*, 265–295; Margaret Weir, *Politics and Jobs: The Boundaries of Employment Policy in the United States* (Princeton: Princeton University Press, 1992), 169.
23. Goldstein, *Ideas, Interests and American Trade Policy* Chap. 1; Weir, *Politics and Jobs*.
24. Kathleen Hall Jamieson, *Packaging the Presidency* (New York: Oxford University Press, 1996).
25. Yee, "The Causal Effects of Ideas on Policies."
26. Hall, "Conclusion: The Politics of Keynesian Ideas," 383–386.
27. Although generally not a central component of most historical institutional analyses, some historical institutionalists have also acknowledged that the impact of ideas on policy markers is heightened during times of economic or political uncertainty and ambiguity. Goldstein, *Ideas, Interests and American Trade Policy*, 3.
28. Paul J. DiMaggio and Walter W. Powell, "Introduction," in Powell and DiMaggio, *The New Institutionalism in Organizational Analysis*, 1–38; John W. Meyer, John Boli, and George M. Thomas, "Ontology and Rationalization in the Western Cultural Account," in George Thomas, John Meyer, Francisco Ramirez, and John Bili, editors, *Institutional Structure: Constituting State, Society and the Individual* (Beverly Hills: Sage, 1987), 12–37; W. Richard Scott, *Institutions and Organizations* (Thousand Oaks, Cal.: Sage, 1995), Chap. 3.

29. John W. Meyer, John Boli, George M. Thomas, and Francisco O. Ramirez, "World Society and the Nation State," *American Journal of Sociology* 103/1 (1997): 144–181; George M. Thomas, John W. Meyer, Francisco O. Ramirez, and John Boli, editors, *Institutional Structure: Constituting State, Society, and the Individual* (Newbury Park, Cal.: Sage, 1987); Pamela S. Tolbert and Lynne G. Zucker, "Institutional Sources of Change in the Formal Structure of Organizations: The Diffusion of Civil Service Reform, 1880–1935," *Administrative Science Quarterly* 28 (1983): 22–39.
30. Dobbin, *Forging Industrial Policy*.
31. *Ibid.*, 9–19.
32. Ronald Jepperson, "Institutions, Institutional Effects, and Institutionalism," in Powell and DiMaggio, *The New Institutionalism in Organizational Analysis*, 146.
33. W. Richard Scott, "Institutions and Organizations: Toward a Theoretical Synthesis," in W. Richard Scott and John W. Meyer, editors, *Institutional Environments and Organizations* (Thousand Oaks, Cal.: Sage, 1994), 66–68.
34. John W. Meyer, "Rationalized Environments," in W. Richard Scott and John W. Meyer, editors, *Institutional Environments and Organizations* (Newbury Park, Cal.: Sage, 1994), 28–54; Walter W. Powell, "The Transformation of Organizational Forms: How Useful is Organization Theory in Accounting for Social Change?" in Roger Friedland and A. F. Robertson, editors, *Beyond the Marketplace* (New York: Aldine de Gruyter, 1990), 304.
35. Some scholars have argued that the failure to specify the causal processes through which structures enable and empower actors is partly due to the high level of abstraction at which organizational institutionalists often operate theoretically. Paul M. Hirsch and Michael Lounsbury, "Putting the Organization Back into Organization Theory: Action, Change and the 'New' Institutionalism," *Journal of Management Inquiry*, 6 (1997): 79–88; Paul M. Hirsch and Michael Lounsbury, "Ending the Family Quarrel: Towards a Reconciliation of 'Old' and 'New' Institutionalism," *American Behavioral Scientist* 40 (1997): 406–418. However, it is also due to the fact that much of the empirical work done within this tradition involves the analysis of changes in large numbers of states or organizations that obscure the details of change that would be revealed by more fine-grained case studies. For example, see many of the empirical studies in W. Richard Scott and John W. Meyer, editors, *Institutional Environments and Organizations* (Thousand Oaks, Cal.: Sage, 1994).
36. Martha Finnemore, "Norms, Culture, and World Politics: Insights from Sociology's Institutionalism," *International Organization* 50/2 (1996): 325–347; Paul M. Hirsch, "Sociology Without Social Structure: Neoinstitutional Theory Meets Brave New World," *American Journal of Sociology* 102/6 (1997): 1702–1723; Hirsch and Lounsbury, "Putting the Organization Back into Organization Theory: Action, Change and the 'New' Institutionalism."
37. Dobbin, *Forging Industrial Policy*. Elsewhere Dobbin does a much better job showing how cognitive structures are enabling. Notable is his discussion of how the failed paradigm of traditional economics, e.g., balanced budgets, guided policy innovation during the Great Depression by providing policy makers with a model of what *not* to do. Frank Dobbin, "The Social Construction of the Great Depression: Industrial Policy During the 1930s in the United States, Britain and France," *Theory and Society* 22 (1993): 1–56.
38. Yasemin Soysal, *Limits of Citizenship* (Chicago: University of Chicago Press, 1994). Clearly, there is a similarity between Soysal's argument and that of the

- historical institutionalists who argue that policies must be made to fit with prevailing societal norms and values. However, her treatment pays closer attention to the intricacies and politics of the transposition process as it unfolds in different countries and attends to how policy makers fit new policy ideas to the organizational as well as normative character of national political institutions.
39. Sewell, "A Theory of Structure: Duality, Agency and Transformation."
  40. Mary Douglas, *How Institutions Think* (Syracuse: Syracuse University Press, 1986), 66–67.
  41. John L. Campbell, "Mechanisms of Evolutionary Change in Economic Governance: Interaction, Interpretation and Bricolage," in Lars Magnusson and Jan Ottosson, editors, *Evolutionary Economics and Path Dependency* (Cheltenham, U.K.: Edward Elgar, 1997), 10–32; Walter W. Powell, "Expanding the Scope of Institutional Analysis," in Powell and DiMaggio, editors, *The New Institutionalism in Organizational Analysis*, 199.
  42. Ann Swidler, "Culture in Action: Symbols and Strategies," *American Sociological Review*, 51 (1986): 273–286. See also Jack A. Goldstone, "Ideology, Cultural Frameworks, and the Process of Revolution," *Theory and Society*, 20 (1991): 405–453; David E. Snow, Burke Rochford, Steven Worden, and Robert Benford, "Frame Alignment Processes, Micromobilization, and Movement Participation," *American Sociological Review*, 51 (1986): 464–481; David E. Snow and Robert Benford, "Master Frames and Cycles of Protest," in Aldon Morris and Carol Mueller, editors, *Frontiers in Social Movement Theory* (New Haven: Yale University Press, 1992), 133–155.
  43. DiMaggio and Powell, "Introduction," 24–25; Dobbin, *Forging Industrial Policy*, 19.
  44. Indeed, among historical institutionalists Peter Hall is probably the only one who has paid much attention to cognitive issues, and then primarily to identify the conditions under which shifts in cognitive paradigms occur rather than how they constrain policy making once they are established. Peter A. Hall, "Policy Paradigms, Social Learning, and the State: The Case of Economic Policymaking in Britain," *Comparative Politics* 25/3 (1993): 275–296.
  45. DiMaggio and Powell, "Introduction"; Jepperson, "Institutions, Institutional Effects, and Institutionalism."
  46. Dietrich Rueschemeyer and Theda Skocpol, "Conclusion," in Rueschemeyer and Skocpol, editors, *States, Social Knowledge, and the Origins of Modern Social Policies*, 300; Scott, "Institutions and Organizations: Toward a Theoretical Synthesis."
  47. Weir, *Politics and Jobs*.
  48. Robert Heilbroner and William Milberg, *The Crisis of Vision in Modern Economic Thought* (New York: Cambridge University Press, 1995).
  49. Paul Craig Roberts, *The Supply-Side Revolution: An Insider's Account of Policy-making in Washington* (Cambridge: Harvard University Press, 1984), 5–13.
  50. Paul Krugman, *Peddling Prosperity* (New York: Norton, 1994), Chaps. 2–3.
  51. Mark H. Moore, "What Sort of Ideas Become Public Ideas?" in Robert Reich, editor, *The Power of Public Ideas* (Cambridge: Harvard University Press, 1988), 55–83; Robert M. Solow, "How Economic Ideas Turn to Mush," in David Colander and A. M. Coats, editor, *The Spread of Economic Ideas* (New York: Cambridge University Press, 1989), 80.
  52. Otis L. Graham, Jr., *Losing Time: The Industrial Policy Debate* (Cambridge: Harvard University Press, 1992).

53. Heilbroner and Milberg, *The Crisis of Vision in Modern Economic Thought*, 100; David M. Ricci, *The Transformation of American Politics: The New Washington and the Rise of Think Tanks* (New Haven: Yale University Press, 1993), 179.
54. Roberts, *The Supply-Side Revolution*.
55. Jim Shoch, "The Politics of the U.S. Industrial Policy Debate: 1981–1984," in David Kotz, Terrence McDonough, and Michael Reich, editors, *Social Structures of Accumulation* (New York: Cambridge University Press, 1994), 177–178.
56. George Gilder, *Wealth and Poverty* (New York: Basic Books, 1981).
57. Roberts, *The Supply-Side Revolution*, 27.
58. Graham, *Losing Time*, 166.
59. Heilbroner and Milberg, *The Crisis of Vision in Modern Economic Thought*, Chap. 3.
60. Michael Patrick Allen, "Elite Social Movement Organizations and the State: The Rise of the Conservative Policy-Planning Network," *Research in Politics and Society* 4 (1994): 87–109; Ricci, *The Transformation of American Politics: The New Washington and the Rise of Think Tanks*, Chap. 7; James A. Smith, "Think Tanks and the Politics of Ideas," in Colander and Coats, editors, *The Spread of Economic Ideas*, 189.
61. Theda Skocpol, *Boomerang* (New York: Norton, 1996).
62. Martha Derthick and Paul J. Quirk, *The Politics of Deregulation* (Washington, D.C.: The Brookings Institution, 1995).
63. Mauro Guillen, *Models of Management* (Chicago: University of Chicago Press, 1994), 7–20.
64. Fred Block, *Postindustrial Possibilities: A Critique of Economic Discourse* (Berkeley: University of California Press, 1990); Donald A. Schön and Martin Rein, *Frame Reflection: Toward the Resolution of Intractable Policy Controversies* (New York: Basic Books, 1994).
65. Hall, "Policy Paradigms, Social Learning, and the State"; Richard R. Lau, Richard A. Smith, and Susan T. Fiske, "Political Beliefs, Policy Interpretations, and Political Persuasion," *Journal of Politics* 53/3 (1991): 644–675.
66. E. Ray Canterbury and Robert J. Burkhardt, "What Do We Mean by Asking Whether Economics is a Science?" in Alfred S. Eichner, editor, *Why Economics is Not Yet a Science* (New York: M. E. Sharpe, 1983), 15–40; Ricci, *The Transformation of American Politics: The New Washington and the Rise of Think Tanks*.
67. Goldstein, *Ideas, Interests and American Trade Policy*, 15.
68. Peter E. Earl, "A Behavioral Theory of Economists' Behavior," in Eichner, editor, *Why Economics is Not Yet a Science*, 100–101; Alfred S. Eichner, "Why Economics is Not Yet a Science," in Eichner, editor, *Why Economics is Not Yet a Science*, 234–235.
69. Krugman, *Peddling Prosperity*.
70. Heilbroner and Milberg, *The Crisis of Vision in Modern Economic Thought*, Chap. 5.
71. For comparisons of the assumptions of institutional and neoclassical economics, see Michael Best, *The New Competition: Institutions of Industrial Restructuring* (Harvard: Harvard University Press, 1990), Chap. 4; William Lazonick, *Business Organization and the Myth of the Market Economy* (New York: Cambridge University Press, 1991); Rodney Stevenson, "Institutional Economics and the Theory of Production," *Journal of Economic Issues* 21/4 (1987): 1471–1493.
72. *Business Week*, "The Reindustrialization of America," Special issue, June 30, 1980; Lester Thurow, *The Zero-Sum Society* (New York: Basic Books, 1980).
73. Michael J. Piore, *Beyond Individualism* (Cambridge: Harvard University Press, 1995), Chap 3.

74. Shoch, "The Politics of the U.S. Industrial Policy Debate: 1981–1984," 185.
75. John W. Kingdon, *Agendas, Alternatives, and Public Policies* (New York: Harper Collins, 1984), Chap. 7; Weir, *Politics and Jobs*, 169.
76. Seymour Martin Lipset, *American Exceptionalism: A Double-Edged Sword* (New York: Norton, 1996), Chaps 1–2; John H. Makin and Norman J. Ornstein, *Debt and Taxes* (Washington, D.C.: Random House, 1994); James D. Savage, *Balanced Budgets and American Politics* (Ithaca: Cornell University Press, 1988).
77. Benjamin I. Page and Robert Y. Shapiro, *The Rational Public: Fifty Years of Trends in Americans' Policy Preferences* (Chicago: University of Chicago Press, 1992), 160–163.
78. *Ibid.*, 148–149.
79. Weir, *Politics and Jobs*, 158.
80. Savage, *Balanced Budgets and American Politics*, Chap. 7.
81. Page and Shapiro, *The Rational Public*, 265. The irony that the public was averse to deficits but willing to support a dramatic military build up that quickly increased deficits to historically unprecedented levels underscores the fact that public sentiments are often inconsistent.
82. Thomas Byrne Edsall, *The New Politics of Inequality* (New York: Norton, 1984), 65–66.
83. Makin and Ornstein, *Debt and Taxes*, Chap. 2.
84. Stephen M. Weatherford and Lorraine M. McDonnell, "Ideology and Economic Policy," in Larry Berman, editor, *Looking Back on the Reagan Presidency* (Baltimore: The Johns Hopkins University Press, 1990), 139–140.
85. Krugman, *Peddling Prosperity*.
86. Martin Rein and Christopher Winship, "Policy Entrepreneurs and the Academic Establishment: Truth and Values in Social Controversies," in Elliot White, editor, *Intelligence, Political Inequality and Public Policy* (New York: Praeger, 1997), 17–48.
87. Kingdon, *Agendas, Alternatives and Public Policies*, 70.
88. Steven Brint, *In an Age of Experts: The Changing Role of Professionals in Politics and Public Life* (Princeton: Princeton University Press, 1994), 141; Lau et al., "Political Beliefs, Policy Interpretations, and Political Persuasion," 670.
89. Eric A. Nordlinger, *On the Autonomy of the Democratic State* (Cambridge: Harvard University Press, 1981), 30.
90. Cathy J. Martin, *Shifting the Burden: The Struggle over Growth and Corporate Taxation* (Chicago: University of Chicago Press, 1991); Roberts, *The Supply-Side Revolution*; Sven Steinmo, *Taxation and Democracy* (New Haven: Yale University Press, 1992).
91. Mark Leff, *The Limits of Symbolic Reform: The New Deal and Taxation, 1933–1939* (New York: Cambridge University Press, 1984); Robert Stanley, *Dimensions of Law in the Service of Order: Origins of the Federal Income Tax, 1861–1913* (New York: Oxford University Press, 1993).
92. Frank Ackerman, *Reaganomics: Rhetoric vs. Reality* (Boston: South End Press, 1982), Chap. 2.
93. Savage, *Balanced Budgets and American Politics*, 201–204.
94. Gilder, *Wealth and Poverty*, Chaps. 1–2.
95. Jamieson, *Packaging the Presidency*, 394.
96. Ricci, *The Transformation of American Politics*, 175.
97. Shoch, "The Politics of the U.S. Industrial Policy Debate: 1981–1984," 108.
98. Gilder, *Wealth and Poverty*, 5, 22, 51.
99. Graham, *Losing Time*, 102.
100. *Ibid.*, 42, 208.



101. Ibid., 158.
102. Ibid., Chap. 7.
103. Jamieson, *Packaging the Presidency*, 416.
104. Ibid., 397–398.
105. Ricci, *The Transformation of American Politics*; Smith, “Think Tanks and the Politics of Ideas.”
106. Page and Shapiro, *The Rational Public*, 149.
107. Jamieson, *Packaging the Presidency*, 417–428.
108. Meyer et al., “World Society and the Nation State”; Meyer et al., “Ontology and Rationalization in the Western Cultural Account.”
109. Goldstein and Keohane, “Ideas and Foreign Policy: An Analytical Framework”; Hall, “Conclusion: The Politics of Keynesian Ideas”; Thelen and Steinmo, “Historical Institutionalism in Comparative Politics.”
110. Theda Skocpol, “Cultural Idioms and Political Ideologies in the Revolutionary Reconstruction of State Power: A Rejoinder to Sewell,” in Theda Skocpol, editor, *Social Revolutions in the Modern World* (New York: Cambridge University Press, 1994), 199–212; Charles Tilly, “Repertoires of Contention in America and Britain, 1750–1830,” in John D. McCarthy and Mayer Zald, editors, *The Dynamics of Social Movements* (Cambridge, Mass.: Winthrop Publishers, 1979), 126–155; see also Sidney Tarrow, *Power in Movement* (New York: Cambridge University Press, 1994), Chap. 7; William A. Gamson, *Talking Politics* (New York: Cambridge University Press, 1992).
111. Steven Brint, “Sociological Analysis of Political Culture: An Introduction and Assessment,” *Research on Democracy and Society* 2 (1994); 3–41.
112. Hirsch, “Sociology without Social Structure: Neoinstitutional Theory Meets Brave New World.”
113. Kingdon, *Agendas, Alternatives, and Public Policies*.
114. Brint, “Sociological Analysis of Political Culture: An Introduction and Assessment.”
115. See also Kingdon, *Agendas, Alternatives, and Public Policies*, 131–139.
116. Weber, “The Social Psychology of the World Religions,” 280; Max Weber, *The Protestant Ethic and the Spirit of Capitalism* (New York: Scribner’s, 1958), 183; Robert Wuthnow, *Communities of Discourse: Ideology and Social Structure in the Reformation, the Enlightenment, and European Socialism* (Cambridge: Harvard University Press, 1989).
117. G. William Domhoff, *Who Rules America Now? A View for the '80s* (Englewood Cliffs, N.J.: Prentice-Hall, 1983), Chap. 4; Thomas Dye, *Who’s Running America? The Clinton Years* (Englewood Cliffs: Prentice-Hall, 1995), Chap. 9.
118. Page and Shapiro, *The Rational Public*, 31–34.
119. Donald McCloskey, *The Rhetoric of Economics* (Madison: University of Wisconsin Press, 1985); Rueschemeyer and Skocpol, “Conclusion.”
120. Dobbin, *Forging Industrial Policy*.
121. Murray Edelman, *The Symbolic Uses of Politics* (Urbana: University of Illinois Press, 1964); Erving Goffman, *The Presentation of Self in Everyday Life* (Garden City, N.Y.: Doubleday Anchor, 1959), Chap. 3; Timur Kuran, *Private Truths, Public Lies* (Cambridge: Harvard University Press, 1995); James C. Scott, *Domination and the Arts of Resistance: Hidden Transcripts* (New Haven: Yale University Press, 1990).
122. Arthur Stinchcombe, *Constructing Social Theories* (New York: Harcourt, Brace and World, 1968), 24–28.
123. John Maynard Keynes, *The General Theory of Employment, Interest and Money* (London: Macmillan, 1936), 383.

