INTRODUCTION

During the twentieth century many socialist parties in Western societies have embraced a social-democratic strategy based on electoral, instead of revolutionary, means to achieve their aims. Three features are commonly held to define this social-democratic approach: first, an attachment to the existing institutions of capitalist society (notably parliament); second, an attempt to seek electoral support from a coalition of classes and not from workers alone; and last, a commitment to the introduction of gradual reforms rather than to an immediate transformation of society (Esping-Andersen 1984, p. 10, and Przeworski 1985, p. 3). (Some supporters claim that reforms can cumulatively lead to a transformation.)

Despite its widespread adoption, questions remain about the viability of social democracy, either to implement limited reforms or to transform society (even over a long period). Its electoral orientation and economic strategy have been controversial. Differences developed over many matters including the tactics social democrats should adopt, the support that the objectives of social democracy can sustain and its ability to manage a capitalist economy. Some sympathetic scholars, often called 'labour movement theorists', have argued that a social democratic strategy is the basis potentially for a progression of measures which will amount eventually to the dissolution of capitalist society (Esping-Andersen 1984; Korpi 1983; Stephens 1979). Others are more pessimistic: they regard social democracy as a compromised approach which cannot meet even the more limited objectives of its advocates.

An influential critic of social democracy is Adam Przeworski. Three themes stand out in his work, especially in his book *Capitalism and Social Democracy* and in several papers co-authored with Michael Wallerstein (Przeworski 1980; Przeworski 1985a; Przeworski and Wallerstein 1982a; Przeworski and Wallerstein 1982b). First, Przeworski argues that social democratic parties are unlikely to win sufficient votes to gain office. In *Paper Stones*, co-authored with John Sprague, he develops this argument.
and claims that, while electoral moderation may result in social democrats gaining some votes, such a strategy alienates many workers who transfer their allegiance elsewhere (Przeworski and Sprague 1986). Not only does such strategic modification mean that social democratic parties have diluted their socialist aims, it fails to win over enough net votes to gain power. Second, Przeworski suggests that workers have strong reasons for not supporting the social democratic project, namely that capitalism provides a better means of meeting their immediate material needs. Last, he contends that social democratic governments will be unable to introduce economic reforms because of the constraints of a capitalist economy. Social democracy lacks the tools to manage a capitalist economy in a reformist manner. These last two themes are often combined and termed 'structural dependence theory' referring to the dependence of workers and the state upon capitalists.

Much of Przeworski’s analysis is presented in formal language, a style now referred to as ‘rational choice’ or ‘analytical’ Marxism (see Cohen 1978; Elster 1985; Roemer 1982a; and Roemer 1986). Much of the work within rational choice Marxism is concerned with abstract and theoretical issues rather than empirical ones. What distinguishes Przeworski’s work is the application of the tools of rational choice to the dilemmas of social democracy. The behavioural postulates of rational choice theory underpin his analysis of the principal actors in capitalist systems (Przeworski 1985, p. 5; and Przeworski 1990b). The actions of capitalists, workers, voters and social democratic politicians follow from their objectives and the choices they confront (to which they respond rationally). From these assumptions Przeworski deduces firm conclusions. He is able, he claims, to ‘demonstrate’ rather than assert his pessimistic judgements about social democracy (Przeworski 1985, p. 239; Przeworski and Sprague 1986, p. 181). Others have reached similar conclusions but they have not stated their arguments as precisely and directly as Przeworski (see, for example, Coates 1975, pp. 154–61). He uses his assumptions to reach straightforward and unambiguous conclusions. If his verdicts are correct the implications for social democracy are far-reaching. However, it is possible to query the assumptions made about the objectives that actors hold and the choices they make. Modifications to the assumptions and to the interaction of the relevant actors produce different conclusions while retaining the rational choice framework.

In this chapter two tasks are undertaken. First, the three propositions at the centre of Przeworski’s opus are summarised and discussed. These three propositions are drawn from Przeworski’s books Capitalism and Social Democracy and Paper Stones. Second, the usefulness of these