rootless transients, unemployed or underemployed. In other words, they are doubly prone to vice and violence.

Hudson and Den Boer believe there's a relationship between violence against women within a society and violence "within and between" societies. "Exaggerated gender inequality," they argue, leads to heightened internal instability.

Even if begun now, efforts to reduce female infanticide and abortion for sex selection would not right the gender imbalance "for a generation or more." Hudson and Den Boer worry that the problem may undermine democracy in India and halt its progress in China. There's some evidence that the regimes in both countries are already resorting to some of the time-honored means of thinning the ranks of violence-prone young men: recruiting them into police or military units, involving them in massive and dangerous public-works projects, and dispatching them overseas as colonists or migrant workers. Beijing, for example, is expanding its People's Armed Police and filling its ranks with what one observer calls "the dregs." Or, like the monarchs of 16th-century Portugal, the two governments may be tempted to send their surplus young men abroad "to die in some glorious national cause far from home."

The Resilient Swedish Model

"Globalization and Taxation: Challenges to the Swedish Welfare State" by Sven Steinmo, in *Comparative Political Studies* (Sept. 2002), SAGE Publications Ltd., 6 Bonhill St., London EC2A 4PU, England.

In the early 1990s, the future looked bleak for the vaunted "Swedish model." To compete internationally, many predicted, Sweden would have to cut taxes and reduce its famously lavish welfare state. It hasn't worked out that way, reports Steinmo, a political scientist at the University of Colorado at Boulder.

The Swedish model featured "very high marginal tax rates softened with very deep tax loopholes," he notes. Personal income and consumption were heavily taxed, but capital gains and corporate income were not. The Swedish government showered socialist corporations with tax incentives to invest at home.

By 1990, taxes had reached more than 60 percent of gross domestic product (GDP). Expanding government programs and rising public employee wages had driven up tax rates, and inflation had pushed ordinary taxpayers into the upper tax brackets. Meanwhile, leading industries—mining, steel, shipbuilding, and automaking—faced growing foreign competition. Swedish employers complained that the tax incentive system made it hard to shift low-skill work abroad and "focus their Swedish investment where Sweden had a comparative advantage (i.e., where highly specialized skills were needed)," says Steinmo.

In 1991, Carl Bildt's new center-right government introduced what was called the "tax reform of the century." Income tax rates were cut across the board; the top rate dropped from more than 80 percent to 50 percent. "Tax expenditures" (aka loopholes) were hacked back. Bildt cut the marginal tax rate on corporate profits, and all capital income faced a flat 30 percent rate.

"Tax levels were still quite high," Steinmo says, but it appeared to many observers that "the public commitment to maintaining a progressive tax system" had vanished. Then a grinding recession drove the unemployment rate, which since World War II had never been higher than four percent, into double digits. Even so, when the long-ruling Social Democrats returned to office under Ingvar Carlsson in 1994, they began trimming certain social welfare benefits.

But the Swedish model was secure. The welfare cuts were not deep, and Carlsson raised the top marginal income-tax rate on the richest Swedes even as he cut the value-added tax on food by half. Tax revenues, especially from capital gains, *increased* during the decade. The government's share of GDP has dropped only a few percentage points, to around 57 percent. Reports of the death of the Swedish welfare state were, it seems, greatly exaggerated.