The Political Economy of ‘Democratic Capitalism’

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State

Public Sphere (Average Voter; Legitimacy)

Market Economy (Investor/Capitalist; Tax Revenue & Economic Growth)
Figure 5. Four Crises of Democratic Capitalism in the US, 1970–2010

Debt, % GDP

Inflation, % GDP

Source: OECD Economic Outlook Database No. 87
Figure 2: Liabilities as a percentage of US GDP by sector, 1970–2011

Source: OECD National accounts.
**Figure 4:** Government debt as a percentage of GDP, 1970–2011*

* Countries included in unweighted average: Austria, Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Norway, Sweden, UK, USA. Source: OECD Economic Outlook: Statistics and Projections.
Figure 5: Total tax revenue as percentage of GDP, 1970–2011†

† Countries in unweighted average: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, UK, USA. Source: Comparative tables, OECD Tax Statistics Database.
Figure 6: Top marginal income tax rates, 1900–2011

Source: Facundo Alvaredo et al, ‘The Top 1 per cent in International and Historical Perspective’.
Figure 7: The broken social contract, US, 1947–present

Figure 3: Increase in Gini coefficient, OECD average

Source: OECD Income Distribution Database.
Average Citizens’ Preferences