The Politics of the Welfare State in an Era of Reform: Voters, Interest Groups, and Political Responsiveness

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Main disciplines: Political Science, Sociology, Political Economy

Dates: 1 – 5 August 2016  
Course Credits: 10 pts (ECTS)  
Limitation: 25 participants

Objectives
The welfare state has long been a subject of political struggle and debate. The character and politics of these struggles, however, has changed substantially over time. In contrast to the post-war period, over the last three decades, tighter budgets, maturing welfare commitments, and changing demographics have placed new demands on policymakers. At the same time, the interests and mobilization of voters, and organized groups, have dramatically changed. What characterizes the contemporary politics of the welfare state?

This seminar provides an introduction to three major topics in the study of welfare state reform: a) trends in entitlement and delivery of core benefits across OECD countries b) the preferences of voters (and non-voters) over social policy c) the interplay among voters, organized groups and policymakers in welfare state reform.

The first section of the course reviews work on policy change in four major areas: pensions, health, labour markets, and family policy. In each domain, many states have substantially altered benefits, however, these reforms have not amounted to either straightforward retrenchment or growth of the state. Instead, we will examine the distributional consequences of changes in the state for different categories of citizens, examining the varying constellations of change packages.

The second part of the course turns from policy changes to the political terrain around policy reform, investigating growing literature on preferences towards social policy. In era of changing social policy, many argue that understanding what voters want, why, and when, is crucial to understanding reform dynamics. This section of the course looks
to map the nature of new economic cleavages over social policy, investigating a growing political economy literature on risk, gender, age, trade exposure, immigration, asset ownership, and employment environment, on policy preferences. We then ask whether these potential cleavages emerge as actual cleavages in political life, examining differences across contexts in the mobilization of economic cleavages.

The final part of the course asks to what extent governments actually respond to new demands in policy reform. This section briefly reviews classic theories of social policy making – which tend to emphasize organized groups and political parties rather than voter preferences per se – and then returns to more contemporary approaches. We examine the evidence for differential responsiveness of groups of voters (e.g. upper and lower income voters) and interest groups in policy reform.

**Course plan overview**

**DAY 1:** The origins of the welfare state: varying politics, varying states?
   a) What do welfare states do? How do they vary?
   b) The politics of the welfare state – what can the origins of the welfare state teach us about contemporary welfare politics?

**DAY 2:** How have welfare states changed?
   a) What’s changed in coverage ‘old’ social risks? What hasn’t?
   b) The rise of a ‘social investment’ state?

**DAY 3:** What do citizens want from social policy?
   a) Demand for welfare – where does it come from?
   b) Demand for welfare – preferences in context?

**DAY 4:** Aggregating Interests?
**Parties and Interest Groups in new welfare states**
   a) Do political parties still matter?
   b) Unions, Employers and Financiers – A new interest group politics?

**DAY 5:** Matching demand and supply and welfare policy
   a) Policy responsiveness and welfare politics: who is listening to whom?
   b) Concluding thoughts on the new welfare politics
DAY 1: The origins of the welfare state: varying politics, varying states?
In the first day we start by reviewing classic arguments about the nature and origins of the welfare state. These lectures will provide an introduction to theorization of the origins of the welfare state, offering an entry point into current debates about pathways to change. The two lectures will provide a series of conceptual and empirical metrics for understanding the distributive structure of the welfare state and classic arguments about its politics allowing us to analyse the scope of change.

Lecture 1: What do welfare states do? How do they vary?
   a) Underlying conceptualization of social programs - redistribution versus risk
   b) Variation in programs across time and place
   c) Variation in distributive outcomes

Lecture 2: Who wants what from the welfare state? When do they get what they want?
   a) Classic theories of welfare state variation - Power resource approaches and Employer Centred approaches
   b) The state and political institutions
   c) Ideas about deservingness

Literature

DAY 2: How have welfare states changed?
We begin by examining the trajectory of classic social programs looking at two questions. First, to what extent do we see changes in the structure of pensions, unemployment, and health insurance across OECD countries? Second, to what extent do these programs continue to play the same role in hedging against labor market and social risks as in the past. In so doing, we examine the interaction between reform trajectories and the changing nature of the labour market itself.

In the second session, we move from the question of ‘old social risks’ to new social risks, examining the introduction of programs aimed at dealing with traditionally neglected groups – the young, lone parents, women and migrants. In this session we ask both what have welfare states done in regard to new social risks and why. In particular, we ask why some countries appear to have adopted more extensive policies of “social investment” than others.

Lecture 3: What’s changed in coverage ‘old’ social risks? What hasn’t?
   a. Classic theories for policy stability
   b. What has changed in a) pensions b) unemployment c) other labor market policies?
   c. How do we conceptualize the distributional consequences of these changes?

Lecture 4: The rise of social investment state?
   a. What new risks do individuals face in the labor market? The family? More generally?
   b. What is “Social Investment”?
   c. How extensive have changes towards social investment been?
   d. What explains variation in the adoption of new social investment policies?

Literature


DAY 3: What do citizens want from social policy?
In the first lecture, we work through several “workhorse” approaches to understanding citizens’ demand for social programs: reviewing theoretical debates about both the demand for redistribution and the demand for insurance, empirical debates over the predictions in this literature, and more recent work attempting to theorize non-material motives for preferences.

In the second lecture, we examine the idea that people live inside a political context that can modify their demands. We start by thinking about the context in material terms, how does the structure of programs shape the a) what citizens and b) their willingness to mobilize. We then look at two other components of the context – the informational context and the discursive context – asking how both the information citizens have about politics and the language of politics matters.

Lecture 5: Demand for welfare – where does it come from?
- Demand for welfare – income and risk
- Demand over the life time
- Non-material motivations for welfare

Lecture 6: Demand for welfare – preferences in context
- Contexts: economic and political
- Modifying preferences?
- Modifying information?

Literature

  Note: The following pieces form core background arguments to the contemporary political economy debate. Iversen discusses them in his text, and we will cover the basic logic in the lecture, but you may wish to read the original models.


• Torben Iversen and David Soskice. 2015. “Information, Inequality, and Mass Polarization Ideology in Advanced Democracies.” Comparative Political Studies. Pre-print

DAY 4: Organized Actors – Parties and Interest groups
We begin by turning from the diffuse preferences of citizens to the expression of political demands through party competition. We examine debates about how to understand the positions parties take on social policy and redistribution - do parties select policies to maximize votes, appeal to traditional constituents, achieve ideological goals? We then place these questions in a changing context, looking at the shifting class basis of voting, new policy cleavages, and changing constraints on governments.

In the second lecture, we turn from parties to interest groups, particularly, the changing role of union and employer wage bargaining. We look at debates about how the changing coverage of bargaining, structure of union membership, and the rise of non-unionized jobs have altered the position of unions vis-à-vis the welfare states. We then turn to claims about growing business and financial interests in welfare state reform, asking how far these dynamics hold outside the United States.

Lecture 7: Do political parties still matter?
- Changing social base for parties
- Changing constraints on policy
- Interaction with the socio-economic structure
- Political accountability

Lecture 8: Unions, Employers and Financiers – A new interest group politics?
- Corporatism and the welfare state
- Changing union demands? Employer demands?
- Finance as a new player?

Literature
- Jane Gingrich and Silja Hausermann. 2015. The decline of the working-class vote, the reconfiguration of the welfare support coalition and consequences for the welfare state. Journal of European Social Policy. 25, 1: 50-75. (25 pages).
- David Rueda. “Insider–outsider politics in industrialized democracies: the challenge to social democratic parties.” American Political Science Review. 99(1), 61-74 (13 pages)


DAY 5: Matching demand and supply and welfare policy
In our penultimate session, we turn to the question of responsiveness. Begin moving from the “demand” side of welfare policies (the preferences of the electorate) to the “supply” side of policies,

The final lecture of the course is a little more speculative, drawing on newer literature asking whether the changes in the welfare state have fed back into lower trust, changed demands on it etc.

Lecture 9 – Matching Demand and Supply?
- What is policy responsiveness?
- Who are policymakers responsive to?
- Does responsiveness vary across contexts?
- Are voters responsive to policy?

Lecture 10 – Concluding Thoughts.
- Revisiting welfare state reform
- What does the recent literature explain? Not explain?
- New questions

Literature
Background and Additional Resources
You may want to familiarize yourself with some conventional measures on welfare spending, entitlement and outcomes. These databases are invaluable resources for research.

Policy Structures

http://www.lisdatacenter.org/resources/other-databases/
See: Social Citizenship Indicators Data (see Esping-Andersen), Child Benefits Database, SAMIP, Comparative Welfare state database

CWED 2 -- measures of welfare generosity
http://cwed2.org

EU MISSOC
http://ec.europa.eu/social/main.jsp?catId=815&langId=en

Social Security Around the World
https://www.ssa.gov/policy/docs/progdesc/ssptw/

OECD – Taxes and Benefits
http://www.oecd.org/els/soc/benefitsandwagestax-benefitcalculator.htm

Comparative Family Policy Database
http://www.demogr.mpg.de/cgi-bin/databases/fampoldb/index.plx

MIPEX migration data (some on entitlement to benefits)
http://www.mipex.eu

Expenditure

OECD – Social Expenditures Database (see also OECD health and education datasets)
http://www.oecd.org/social/expenditure.htm

Income Inequality, Poverty and Living Conditions

Luxembourg Income Study
http://www.lisdatacenter.org

World Top incomes database
http://topincomes.parisschoolofeconomics.eu

Standardized World Income Inequality Database
http://myweb.uiowa.edu/fsolt/swiid/swiid.html

Our world in data (historical and world inequality data)
http://ourworldindata.org

EU-SILC
http://ec.europa.eu/eurostat/web/income-and-living-conditions/overview
**Political Institutions, Government Control and Parties**

Comparative Political Datasets  
http://www.cpds-data.org/index.php

Quality of Government Datasets  
http://qog.pol.gu.se/data/datadownloads

**Political Parties**

Chapel Hill Expert Survey (party positioning as ranked by experts)  
http://chesdata.eu

Comparative Manifesto Data (party positioning/salience by manifestos)  
https://manifestoproject.wzb.eu

**Labour Market and Wage Bargaining**

ICTWSS – Wage Bargaining institutions  
http://www.uva-aias.net/208

OECD – Employment Protection Legislation  
http://www.oecd.org/employment/emp/oecdindicatorsemploymentprotection.htm

EU – Labor Force Survey  
http://ec.europa.eu/eurostat/web/microdata/european-union-labour-force-survey

**Public Attitudes – Cross-National Surveys**

European Social Survey  
http://www.europeansocialsurvey.org

International Social Survey Programme (ISSP)  
http://www.gesis.org/en/issp/home/

European Values Survey  
http://www.europeanvaluesstudy.eu

World Values Survey  
http://www.worldvaluessurvey.org/wvs.jsp

Comparative Study of Electoral Systems  
http://www.cses.org
The Lecturer

Jane Gingrich is Associate Professor of Comparative Political Economy in the Department of Politics and International Relations at the University of Oxford. Her main research interests involve comparative political economy and comparative social policy. In particular, she is interested in contemporary restructuring of the welfare state, and the politics of institutional change more broadly.