

Conceptualizing Welfare State Change

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1. Welfare states do change
2. The independent variable problem: What determines change
3. Some popular accounts of change: Pierson, Hall
4. Level of change: Paradigm/ discourse, policy, institutions, outcomes
5. Direction of change
6. Dynamics of change
7. Policy feedback
8. Convergence or divergence

1. Welfare states do change

Political institutionalism: Veto point literature

- variations in political institutions

"Policy institutionalism", Path dependence

- the problem of distinguishing between policy and institutions
- status quo bias

- vested interests; asymmetry
- normative institutionalism: socialisation effects
- behavioural adaptations and lock-in effects

- practical/ administrative costs of change
- political costs of change

- re-interpretation of path dependence as dynamic phenomenon
 - negative feedback model (static)
 - positive feedback model (dynamic)
 - martingale model
- path dependence: perspective or theory ("mechanisms")
 - explaining the past and explaining the future
 - timing as an essential phenomenon

2. The independent variable problem: What determines change

- Functionalism/ neo-functionalism (and economics):
 - Economic (social) necessity
- Political power struggle
 - class project model
 - patchwork model
- Ideational factors
 - paradigm shift
 - policy learning/ social learning
 - policy diffusion/ policy transfer
 - agenda setting, framing
- INSTITUTIONAL DYNAMICS
- DEEP EQUILIBRIA

3. Some popular accounts of change: Pierson, Hall

Pierson: Retrenchment, restructuring

- cost containment
- recalibration
- recommodification

Problem: Recalibration can be anything. Considered non-transformative

Peter Hall:

- first order change: Change of settings
- second order change: Change of instruments
- third order change: Change of paradigms

Problem: Weak correspondence with outcomes

4. Level of change: Paradigm/ discourse, policy, institutions, outcomes

- Paradigm / coordination discourse
- Policy
- Institutions
 - correspondence with theoretical notions of the welfare state
 - institutions / welfare regimes
 - insurance
 - welfare mix / welfare pluralism
 - market
 - state
 - family
 - voluntary associations
 - social responsibility of firms
 - social partners
- Outcomes
 - immediate policy impact
 - impact on broader social indicators

Eight possible combinations of states and markets:

- who decides/ regulates
- who finances
- who delivers

5. Direction of change

- More or less
 - retrenchment
 - recommodification
 - targeting
- Liberalization
- Marketization ("generous recommodification")
 - activation of social protection (incentives)
 - new public management
- Changing principles / regime shift
- Changed risk pooling
- Changed division of labour

6. Dynamics of change

- punctuated equilibrium model. Path dependence & path breaking
- incremental vs. abrupt change
- transformative change vs. continuity

Transformative capacity of incremental change

- Displacement
- Layering
- Drift
- Conversion
- Exhaustion

7. Policy feedback

- Functional equivalence can be stable or unstable
 - changing interest configuration
 - policy learning/ social learning
 - policy diffusion/ policy transfer

8. Convergence or divergence

Functionalism - convergence

Institutionalism - divergence

- convergence
- divergence
- persistent differences
- parallel trends, persistent diversity