The Political Economy of Welfare State Change

Elective course
Fall semester, 2015-16 academic year
2 credits – 4 ECTS

Instructor: Borbála Kovács, DPhil (Oxon.)
kovacs@ceu.edu
Office: FT906

Office hours: Mondays 11.00-12.30
Tuesdays 11.00-12.30
Thursdays 11.00-12.30
by appointment

Class: Tuesdays, 17.20-19.00
Room: FT809

Course webpage: http://ceulearning.ceu.edu/course/view.php?id=4862

Course description and structure

This course engages with welfare state and social policy change as a special concern of politics in the contemporary world, both in advanced democratic as well as other polities. The course brings together discussions about key theoretical concepts, competing explanatory models and a range of methodological approaches to explaining welfare state change throughout the 20th century and especially over the last three decades around the world. The course tackles a range of political explanations to welfare state expansion in the developed and in developing nations and offers insights into the politics of welfare state adaptation over the past thirty years especially in Eastern and Western Europe.

The course asks, among others, the following questions: What type of political institution is the welfare state and what defines the politics of its change, especially in the ‘era of permanent austerity’ as Paul Pierson put it? What political factors explain welfare state change, especially over the last three-four decades? Why are different welfare states in different parts of the world changing differently? How to understand and theorise welfare state adaptation in a new global context across the world?

The course is structured into four parts. The introductory section focuses on two issues: (1) what are the particularities of the (democratic) politics of welfare state adaptation, especially when this means retrenchment? And (2) an overview of competing theoretical approaches to the political economy of welfare state change. Section 2 hones in on political theories of welfare state change that place democratic electoral politics at the heart of their explanations, explaining welfare state change as a function of the dynamics of electoral politics. Section 3 discusses institutionalist approaches to explaining welfare state change, engaging with the politics of incremental institutional change and critical junctures as two variants of institutional evolution. Section 4 brings into focus the role of ideas and discourses as drivers of welfare state change in the form of various conceptual models that centre on policy diffusion, including ‘Europeanisation’ of social policies, and policy transfer.

Learning outcomes

The organisation of classes is aimed to help students develop a good understanding of the subject matter, with a focus on concepts, theoretical and methodological approaches to explaining process and
causation as well as their analytical relevance and value. In addition, classroom activities are aimed at helping students develop a range of:

- **transferable skills**: meaningful oral participation in group settings, reflecting deep engagement with the subject matter; concise and precise oral formulation of opinions, arguments and puzzles; critical listening; presenting and critically discussing scholarly work by others; developing effective PowerPoint presentations; making conference-type presentations;
- **study skills**: structured note taking, summarising (orally and in written form); critical reading and reading comprehension, metacomprehension; constructive feedback and team work; defining one’s own learning needs, planning progress and incorporating constructive feedback received; manage a semester-long project in a successful way;
- **critical thinking skills**: reflexivity; deductive reasoning; hypothesising; structured argumentation; making inferences and articulating assumptions; the application of newly acquired knowledge to new situations.

**Class structure**

Most meetings consists of a 15-minute critical presentation by a discussant, followed by an instructor-led structured discussion of key concepts; key arguments; key theoretical and methodological approaches; puzzles & questions; the relevance of the subject matter. *Meetings with a different structure will be announced in due course.*

**Class requirements**

Students are expected to attend meetings regularly, to participate in class discussions and submit independent work according to assignment descriptions. Depending on class size, students may also have to deliver a 15-minute critical engagement with the key reading, orally.

1. Class participation (in at least 75% of, i.e. nine, sessions) – **30% of the final grade**;
2. Class presentation (15% oral presentation & 15% mandatory handout, to be uploaded onto e-learning 24 hours prior to class) – **30% of the final grade**;
3. ‘Issues I want to know more about’ study notes (5 assignments, 8% of the final grade each) – **40% of the final grade**.

**Structured discussions** follow the results of reading key readings using the I.N.S.E.R.T. technique (Estes and Vaughn, 1986). As such, discussions will focus on what students already knew when reading the text; what they knew differently; what they did not know; and the issues they want to find out more about.

Students are expected to use the below annotations while reading the key reading(s) in order to aid (1) the easier structuring of different types of information in the learning processes as well as (2) the easier identification of **new information** and of **issues students want to know more about** in preparation for class discussion.

- ✓ **indicates a passage that confirms what students thought was true**;
- – **indicates a passage that disconfirms something students thought was true**;
- + **indicates a passage that contains important information students had not anticipated**;
- ? **marks a passage containing something students want to know more about**.

Grading and assessment

Students receive on-going feedback in all my courses. This course encourages the use of so-called **rubrics** or descriptions of standards of performance. They are meant to help students reflect on their performance and identify aspects of their academic performance where they can improve. Specific rubrics are also used to grade assignments. Rubrics are available online on the course website: [http://ceulearning.ceu.edu/course/view.php?id=4862](http://ceulearning.ceu.edu/course/view.php?id=4862).

**Note on Citing and Referencing**

You will be expected to use **Harvard style referencing**. Please find an extensive citation and referencing guide on the course website: [http://ceulearning.ceu.edu/course/view.php?id=4862](http://ceulearning.ceu.edu/course/view.php?id=4862).

At the same time, you are strongly encouraged to use a **citation manager software** for all your written assignments, in which case you can use **Chicago style referencing**.

**Key texts of the course**


************************************************************************

**Penalties:** in case of late submissions of independent work and plagiarism. Departmental rules on plagiarism apply.
INTRODUCTION

Week 1. Introducing the political economy of welfare state change

This session is an open discussion about the focus of the course, i.e. the political economy of welfare state change. The discussion aims to chart students’ existing knowledge about the following issues:
What is the welfare state and welfare state change? Why do welfare states change and in what ways? To be more precise, what political explanations have been formulated to explain welfare state change? What is the nature of the politics of welfare state change?

Week 2. Welfare state change ‘in an era of permanent austerity’

Before introducing competing theoretical approaches for explaining welfare state change, this session ponders over a key question: what type of political project is social policy adaptation and welfare state change?

Key readings:

Additional readings:

Week 3. Analytical frameworks and methods in the politics of welfare state change

To complement the previous discussion, the focus of this session is on a number of competing theoretical approaches that have provided starting points for engaging with the politics of social policies and, thus, of welfare state change.

Key reading:
**POLITICAL POWER AND AGENCY THROUGH DEMOCRATIC ELECTIONS**

**Week 4. The Power Resources framework to explain welfare state development and current welfare state adaptation**

Walter Korpi’s power resources model, while developed to explain welfare state development and expansion during the inter-war era in Scandinavia, is one avenue through which the politics of social policy and welfare state change is still being approached and researched.

**Key reading:**

**Additional readings:**

**Week 5. Welfare States and Functional Responses to Structural Pressures in Labour Markets**

This session focuses on a comparative framework to explain variations in social policies and welfare state architectures, namely structures of employment and social policy understood primarily as labour market policy, assuming the politics of social policy adaptation to be electorally mediated, but ultimately functionalist.

**Key reading:**

**Additional readings:**

**Week 6. The Role of Women in the Politics of the Welfare State**

Electoral politics is at the heart of many of the theoretical frameworks – whether comparatively informed or not – that lie at the heart of empirical work on the politics of social policy and welfare state adaptation. It is not surprising, therefore, that women’s role – and agency – in this process is theorised through the mechanisms of the electoral process.
WELFARE STATE ADAPTATION AS INSTITUTIONAL EVOLUTION

Week 7. Path dependence and incremental welfare state change

Moving onto the institutionalist political economy literature, this session explores theoretical models modelling and explaining the outcomes of gradual, incremental institutional change common in the study of welfare states. This session hones in on the following question: how is institutional change possible in the absence of sudden, disruptive events? What makes institutions prone to incremental change?

Key reading:

Additional readings:

Week 8. Critical junctures and welfare state adaptation

Institutional change is not always incremental, creeping, yet lock-in is often avoided through critical moments of unexpected changes. This session focuses on what critical junctures are (and are not!) and how they might matter to social policy and welfare state change.

Key reading:

Additional reading:
IDEAS, DISCOURSES AND WELFARE STATE ADAPTATION

Week 9. Policy transfer and policy diffusion

Theories about electoral politics and about the self-interested agency of political actors bound by (welfare) institutions are complemented through this week’s discussion by a newer strand of literature informing theoretical debates about welfare state change, notably policy diffusion and policy learning.

Key reading:

Additional readings:
Any article in the Policy Studies 30(3) special issue: New Directions in the Study of Policy Transfer (2009).

Week 10. Europeanisation and social policy harmonisation

The literature on policy diffusion and policy transfer rarely discusses the political choices that drive this process. This session hones in the role that the European Union plays in the politics of welfare state change, focusing on what has come to be termed ‘Europeanisation’, and policy diffusion and transfer its main modus operandi.

Key reading:

Additional reading:

Week 11. Welfare state expansion in developing countries now

Ideas have been seen to be at the heart of welfare state expansion throughout history. Tomasz Inglot, writing about Central European welfare state expansion after the demise of the Hapsburg empire, has argued that post-1919 welfare state expansion was as much a pragmatic decision as an attempt at nation-building and modernisation and social progress. Ideas about how development is possible are permeated by welfare state development and welfare state development in many developing countries today is buttressed by development as discourse.

Key reading:

Additional readings:
Week 12. Reviewing the political explanations of welfare state change

What have we learned about the nature of the politics of welfare state change? What competing theoretical frameworks can explain welfare state change outcomes? Which seem the most compelling and for analysing what?