

Field Course: The Politics of Public Policy and Institutional Change

1stterm, Academic Year 2023-2024

Instructors: Anton Hemerijck and Ellen Immergut

Course description

Aims

It is fair to say that, since the new millennium, we've been living in period of "structural reform" accelerated by intrusive shocks, such as the Great Recession, and more recently, the outbreak of the COVID-19 Pandemic. Major changes in pensions, labour markets, education, health, macroeconomic policy, and environmental regulation, have swept the European continent. In some cases, intrusive policy reform was accompanied by deep social and political conflict, while in other instances unpopular reforms eventually received broad societal and political consent. Alongside major retrenchment, there have been deliberate attempts – often given impetus by intensified European economic integration – to rebuild health and welfare programs, industrial and environmental policies in sync with the new economic, technological, demographic, and climate realities of the 21st century. Policy reform and institutional change, inescapably building on extant policy legacies across countries, is work in progress, leading to patchwork mixes of old and new policies and institutions on the lookout, perhaps, for greater coherence. Unsurprisingly, this political "search process" remains incomplete, resulting from the institutionally bounded and contingent adaptation to the challenges of the aftershocks of the global financial crisis and Covid-19 pandemic against the background of adverse demography, economic (de-)globalization, accelerating digital innovation, and climate change.

This seminar offers a comprehensive introduction into the political analysis of public policy and reform against the background of changing nature of economics, politics, and society in advanced European democracies. The aim is to introduce researchers to the state of the art in comparative public policy research, with a special emphasis on institutional change and policy reform. The course thus aims to provide researchers with advanced knowledge

in the basic institutions and mechanisms that help to explaining policy and institutional continuity and change over time. Furthermore, the course provides skills in comparative cross-national and EU policy-making, with special attention given to competing theories on politics of policy change and continuity in terms of methodological strengths and weaknesses.

Objectives

Researchers who have successfully completed this seminar should be able to:

- Produce well-structured academic response papers, employing the analytical tools of comparative political analysis of public policy in conjunction with important theoretical understanding of EU-level policy coordination, drawing on a broad range of sources;
- Make clear and concise oral presentations based on the basis of serious reading exercises, collection of relevant data on the changing nature of how social change and associated political conflict and compromise affect policy reform and institutional change, including EU socioeconomic policy-making;
- Design and write brief synopses on the multidimensional politics of policy continuity and change in selected countries.

The course will provide researchers with the conceptual and empirical background information to enable them to write focused Phd-theses, and to answer questions like:

- What drives reform, which institutions, ideas, and power resources help their enactment, and vice which institutional conditions stall transformative policy change?
- What motivates political actors to pursue structural reform or, vice versa, decline to ponder intrusive policy change?
- How the political boundaries of EU and domestic social and economic policy are being blurred on the backdrop of what new conflict lines?

Structure

The ten sessions of the workshop are designed to provide the analytical foundations and methodological tools for the political study of policy reform and institutional change. The purpose of the sessions is to discuss the long-term evolution and more recent topical developments from a perspective that allows for discussion of theories of institutional change and policy adaptation with appropriate methods for empirical analysis. There will (usually) be a few short presentations by researchers on the literature, based on a limited number of questions raised in preparation by the instructors. Their purpose is to unpack topics by clarifying policy pressures and political controversy over them. A hand-out (maximum 2 pages) by students taking turns on jump-starting discussions on selected readings, should be made available to all participants 24 hours in advance. We aim to

further develop analytic and conceptual skills not only by summarizing and debating key readings in the field of policy change, but by employing these concepts and theories as tools that can provide leverage on one's own research project. To this end, in many weeks of the course we will use sections of articles or online resources labelled as 'tools' in order to promote the application of the concepts and methods of the course to researchers' own dissertation projects.

Participation and examination

Attendance at seminars is compulsory for those who register for this course. EVERY member of the seminar is liable to be called upon to discuss ANY of the core readings in any week, as active participation in the discussion is vital to the success of the course. Other members of the EUI may be welcome to attend but should consult the course provider in advance of the first meeting of the class. All researchers registering for the course will be expected to produce at least two response papers (of roughly 2000 words). The first essay should focus on thematic issues in comparative welfare state research from a theoretical angle, such as the question of explaining policy reform and institutional change. The second response paper should be more straightforwardly empirical, based on recent post-crisis developments in particular countries, adopted by researchers for more intense study. Researchers are asked to circulate these discussion papers 24 hours in advance of the seminar, and to present the paper for 10-12 minutes during the seminar.

Requirements for regular course credit: 2 response papers and active participation in the seminar.

Additional requirements for those taking the course as their mandatory field course: Take-home exam due on 12 December; Response, follow-up questions and discussion with two examiners from the public policy and institutional change research area to follow thereafter in December or first week of term in January. Passage depends upon satisfactory performance in both the written and oral part of the exam.

Procedure for those researchers wishing to write a term paper for this seminar/workshop: please obtain approval from your supervisor for your topic and your choice of assessor; please register in Brightspace, and when the paper is finished please upload it there, and let the assessor know that it has been uploaded.

Background literature

Michael Moran, Martin Rein, and Robert E. Goodin (2006), *The Oxford Handbook of Public Policy* (Oxford University Press) and Anke Hassel and Kai Wegrich (2022), *How To Do Public Policy* (Oxford University Press) have been selected as background reference material.

Session 1: 3 October 2023

What is public policy?

The first session introduces the core concepts of politics, public policy, and institutions in the literature. The first two sentences of Fritz W. Scharpf's seminal treatise on actor-centred institutionalism, read: "Politics is about many things. But foremost among these, in modern democratic polities, is the function of selecting and legitimating public policies that use the powers of the collectivity for the achievement of goals and the resolution of problems that are beyond the reach of individuals acting on their own or through market exchanges" (1997:1). This apt definition of public policy relates to two political actions: *decision-making* policy selection and the more discursive act of societal *legitimation*.

Scharpf, F.W. (1997), *Games Real Actors Play. Actor-Centered Institutionalism in Policy Research*, chapters 1, 2, and 3.

Recommended Background:

Majone, G. (1988), *Policy Analysis and Public Deliberation* (pp. 157-178). Ballinger: Cambridge, Mass, Chapter 7

Hassel, A. and K. Wegrich (2022), *How to Do Public Policy*. Oxford: Oxford University Press, Chapter 1 and 2.

Session 2: 10 October 2023

Policy Feedback

Does politics produce policy, or do policies construct politics? It depends. Yet, in advanced, and by implication highly institutionalized, polities, policies surely instruct political contestation. The 2023 French pension reform advanced by President Macron is a good example of such policy feedback on political mobilization.

Pierson, P. (1994), *Dismantling the Welfare State? Reagan, Thatcher, and the Politics of Retrenchment*, Cambridge: Cambridge University Press, Chapter 2 (Interests, institutions and policy feedback).

Andrea L. Campbell. (2012). "Policy Makes Mass Politics." *Annual Review of Political Science*, 15: 333-351. doi:10.1146/annurev-polisci-012610-135202.

Recommended Background:

Daniel Béland, Andrea Louise Campbell and R. Kent Weaver, *Policy Feedbacks: How Policies Shape Politics*, Cambridge: Cambridge University Press, 2022, doi: 10.1017/9781108938914.

Session 3: 17 October 2023

Party Competition and Reform

Jean-Claude Juncker, ex-President of the European Commission and ex-Premier of Luxembourg, once conjectured that politicians: ‘know exactly what to do, but we do not know how to get re-elected’. An important strand in the recent literature on the welfare state has been the so-called ‘electoral turn’ in explaining (non-)reform. Scholars advocating an ‘electoral turn’ are shifting attention to bottom-up electoral behaviour and partisanship mobilization, steeped in quantitative public opinion survey research (and experiments) on policy related issues, to the input side of the political process. There is a distinct departure from the core institutional insight that ‘policy shapes social politics’, as scholars under the ‘electoral turn’ assume parties respond in a short-term fashion, congruent to electoral preferences, harking back to the pre-institutional presumption that ‘politics creates policy’.

Abou-Chadi, T. (2014). "Niche Party Success and Mainstream Party Policy Shifts –How Green and Radical Right Parties Differ in Their Impact." *British Journal of Political Science*: 1 - 20. DOI: [10.1017/S0007123414000155](https://doi.org/10.1017/S0007123414000155), Published online: 24 June 2014.

Beramendi, P. S. Hausermann, H. Kitchelt, and H. Kriesi (2015), ‘Introduction: The Politics of Advanced Capitalism’, in: Beramendi, P. (et al.), *The Politics of Advanced Capitalism*, Cambridge: Cambridge University Press.

About-Chadi T., E. Immergut, Recalibrating social protection: Electoral competition and the new partisan politics of the welfare state, First published: 15 October 2018

<https://doi.org/10.1111/1475-6765.12308>

<https://ejpr.onlinelibrary.wiley.com/doi/full/10.1111/1475-6765.12308?af=R>

Julian L. Garritzmann, Marius R. Busemeyer & Erik Neimanns, Public demand for social investment: new supporting coalitions for welfare state reform in Western Europe? Pp. 844-861 | Published online: 22 Mar 2018

https://www.tandfonline.com/doi/full/10.1080/13501763.2017.1401107?casa_token=BC3Jcrx7RCgAAAAA%3AXnIo0L3F5jfLyO3zVBiGZVKFy2AA5EiA1G1xxAO4YMi5-dSCI6MIQzEC5iAwtLjXScKEpqpeNpI4

Tools:

Meguid, B. M. (2005), Competition between Unequals: The Role of Mainstream Party Strategy in Niche Party Success. *American Political Science Review*, 99, 3: 347–359.

<https://manifesto-project.wzb.eu>

<https://manifesto-project.wzb.eu/information/documents/visualizations>

Session 4: 24 October 2023

Institutions and Policy Change

Institutions – rule-making rules – is the foodstuff of political behaviour, social interaction, and policy development. Although institutions cannot be changed at will, the ‘lock in’ effects of policy and strategy continuity should also not be exaggerated. For institutions to survive under conditions of structural social and economic change, decision-makers invoke strategies of institutional adaptation which are often accompanied by processes of social learning, characterized by a dialectic intermediating between the ‘contest of power’ and prevailing ‘policy legacies’ and the ‘rules of the game’ of politics and administration.

Haverland, Markus, National Adaptation to European Integration: The Importance of Institutional Veto Points, *Journal of Public Policy*, (2000), 20, 1:83-103.

Finnegan, J. J. "Changing Prices in a Changing Climate: Electoral Competition and Fossil Fuel Taxation." *Comparative Political Studies*, 0(0): 00104140221141853. doi:10.1177/00104140221141853.

Recommended Background:

Ellen M. Immergut. (2021). “Political Institutions.” In Béland, J. and others (eds), *The Oxford Handbook of the Welfare State*, 2nd ed., Oxford Handbooks (online edn, Oxford Academic, 8 Dec. 2021), <https://doi.org/10.1093/oxfordhb/9780198828389.013.18>, accessed 9 Dec. 2022.

Tool:

<https://vaps.shinyapps.io/vaps-dashboard/>

<https://cadmus.eui.eu/handle/1814/73926>

Session 5: 31 October 2023

Ideas, Policy Learning and Paradigm Shifts

Deep economic crises are moments of political truth. They both expose the strengths and weaknesses of extant policy repertoires and their underlying causal beliefs, ideas, and normative mind-sets. In a Kuhnian fashion, deep crises inspire new thinking and innovative practices, which also includes reconsidering older policy recipes and theories in a new light. In the aftermath of both the Great Depression of the 1930s and the Great Stagflation of the 1970s, policy paradigms were transformed in fundamental ways, giving rise, respectively, to the Keynesian-Beveridgean welfare state after 1945 and, a quarter century later, to the neoliberal critique of the 1970s and 1980s of welfare state intervention, which ushered monetarism, fiscal orthodoxy, retrenchment, and liberalization. Is the 21st century

knowledge economy, against the backdrop of accelerating demographic ageing paving the way for a (silent) social investment paradigm shift? Are short-term oriented policymakers recognized that intensified demographic ageing and disruptive technological change, requires long-term include growth to rely heavily on high levels of employment and improvements in productivity. Whilst there is ample proof that social investments in child-care, long-term care, education and training, active labour market policy, lifelong learning, and active ageing, paid parental leave, family services and benefits, can contribute to employment, productivity, demographic balance, improved fertility, increased tax revenue, reduced long-term reliance on compensatory social protection policies, a fair number of political scientists are therefore somewhat sceptical about social investment reform feasibility. Any kind of politics of investment suggests an explicit political exchange on the part of reformers to deliberately sacrifice or forego short-term consumption to reap long-term gains that make everybody better off in the future.

Hall, P. (1993) 'Policy Paradigms, Social Learning, and the State: The Case of Economic Policy Making in Britain', *Comparative Politics*, 25(3): 275-96.

Anton Hemerijck. (2018). "Social investment as a policy paradigm." *Journal of European Public Policy*, 25:6, 810-827, DOI: [10.1080/13501763.2017.1401111](https://doi.org/10.1080/13501763.2017.1401111)

Recommended Background:

Jacobs, A.M. (2011). 'Theorizing Intertemporal Policy Choice', in: *Governing for the Long Term. Democracy and the Politics of Investment*, Cambridge: Cambridge University Press, chap. 2, pp. 28-71.

Tool:

Alan M. Jacobs. (2009). "How do ideas matter?: Mental models and attention in German pension politics." *Comparative Political Studies*, 42(2): 252-279.

Session 6: 7 November 2023

Guest Instructor: Waltraud Schelkle

European Public Policy

Implicitly, we often assume that ultimately national governments are in charge of policy-making and talk of entire countries taking decisions or supporting policies: "France supports", "Spain advocates", "Poland demands" etc. We are also aware that this methodological nationalism is untenable generally, but nowhere more so than in the European Union (EU) and its neighbourhood. There is hardly any policy domain left that is not affected by EU legislation, regulatory standards and political agreements. However, does this already amount to *European* public policy? A path-breaking affirmative answer was given by Majone's notion of the EU 'regulatory state' as a fourth branch of government

for transnational economic regulation, a delegation of policy powers by which member states commit to forego protectionism. However, this understanding of European public policy has been criticised for its rational-functionalist underpinning that paid little attention to political processes of regulation and, closely related, for its normative stance that cannot make sense of the EU's (re-)distributive role in policy-making. A recent literature on the fact that the EU has acquired core state powers, or regulates their use in member states, tries to capture that the EU has moved "beyond the regulatory polity".

Giandomenico Majone (1996, 2002 2nd ed.). *Regulating Europe*. Taylor and Francis. Ch.2: "Theories of regulation" (pp.28-46) and Ch.3: "The rise of statutory regulation in Europe" (pp.47-60).

Philipp Genschel and Markus Jachtenfuchs (2016). "More integration, less federation: the European integration of core state powers." *Journal of European Public Policy*, 23(1), pp. 42-59.

Recommended Background:

Philipp Genschel and Markus Jachtenfuchs (eds) (2014). *Beyond the regulatory polity? The European integration of core state powers*. Oxford University Press.

Tool:

Deborah Mabbett and Waltraud Schelkle (2009). "The politics of conflict management in EU regulation." *West European Politics*, 32(4), pp. 699-718.

Session 7: 14 November 2023

Theories of gradual yet transformative policy change

Scholars in comparative public policy have over the past decade been increasingly grappling with the theoretical predicament to try and make sense of temporal reform dynamics. As institutions cannot be changed at will, path-dependency in policy evolution is increasingly couched in terms 'gradual yet transformative' change.

Streeck, W., and K. Thelen (2005) *Beyond Continuity: Institutional Change in Advanced Political Economies*. Oxford: Oxford University Press, chap. 1.

Crouch, C. (2010), 'Complementarity', in: G. Morgan, J.L. Campbell, C. Crouch, O.K. Pedersen and R. Whitley (eds), *Oxford Handbook of Comparative Institutional Analysis*, pp. 117-137.

Mahoney, J. and Thelen, K. (2010). "A Theory of Gradual Institutional Change." In Mahoney, J. and Thelen, K. (eds.), *Explaining Institutional Change. Ambiguity, Agency, and Power*. New York: Cambridge Univ. Press, 1-37.

Session 8: 21 November 2023

Punctuated Equilibrium, Issue Attention, and Windows of Opportunity

Jones, B. D. and Baumgartner, F. R. (2012) From There to Here: Punctuated Equilibrium to the General Punctuation Thesis to a Theory of Government Information Processing, *Policy Studies Journal* 40(1), 1–20.

Daviter, Falk. 2009. “Schattschneider in Brussels: How Policy Conflict Reshaped the Biotechnology Agenda in the European Union.” *West European Politics*, 32:6,1118 — 1139.

Tool:

<https://www.comparativeagendas.info>

Session 9: 28 November 2023

Explaining the New Politics of Structural Reform

Structural’ reform concern an instance of disruptive path-shifting change with respect to policy substantive and/or governing responsibilities. Reform is structural only if it garners staying power, that is to say if structural reforms survive government turnover. In other words, structural reform successes and failures should not be too closely associated with government turnover in the aftermath of contentious elections per se. Previous strands on research on structural reform focuses predominantly on political actors – be they electorates, parties, governments, and social partners – in driving reform. For this session, we shift the attention from the political ‘who’ is behind reforms successes and failures to the question of ‘how’ contemporary reforms are being processed by deeply anchored institutional factors, including standing commitments, policy legacies and state traditions, administrative competencies, policy expertise, political systems, state-society relations, and EU regulation. The theoretical implication is that we have to theorize indeed ‘how’ post-formative reform efforts are being processed in advanced liberal democracies. The main purpose of this session is to discuss an actor-centered institutionalist heuristic of post-formative policy-making and reform processes, centered around six core questions of public policy, allowing precisely for a better understanding of processes of gradual yet transformative reform.

Hemerijck, A., M. Sobocinski, K. Kourra, and C. Vermorcken (manuscript), *Six Core Questions of Public Policy: The Nested Politics of Structural Reform in the European Union (EU)*.

Two chapters from: Hemerijck, A. and M. Matsaganis (2023), *Who's Afraid of the Welfare State Now?*, Oxford: Oxford University Press.

Nov. 28th: Take-Home exam questions will be distributed to those requiring a qualifying exam

Session 10: 5 December 2023

What have we learned? Conclusion and feedback

Dec 12th: Deadline for Take-home exam

Discussion and feedback to be scheduled individually after the EUI closure or upon request in December.