

Prof. Silja Häusermann
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Vertiefungsseminar
Comparative Welfare State Research
POL-12040-20111
SS 2011

1st block course

Friday July 1st 2011, 10-18h

Saturday July 2nd 2011, 10-18h

Room: D-D 431

2nd block course

Friday July 15th 2011, 10-18h

Saturday July 16th 2011, 10-18h

Room: D-D 431

1. General information

What is a welfare state and why does it exist in capitalist economies? Why did welfare states develop at such different speed and why have they become so different cross-nationally in their extent of generosity and redistribution? Do globalization and post-industrialization threaten welfare states? What are the most important current challenges to welfare policies, such as old age, unemployment or sickness insurance, and which policies present the most urgent needs for reform?

These are questions that are at the core of this seminar. Our goal is to reach a nuanced understanding of current welfare policy trends through cross-national comparison. Therefore, we will read and discuss both fundamental text of comparative welfare state analysis and recent theories and approaches in political economy. A special focus will be on selected countries, incl. Germany in comparative perspective.

The readings for this seminar are substantial and mostly in english. Successful participation includes a short oral presentation, a discussion paper, written discussion questions and active participation. For details on requirements, see part 4 of this syllabus.

2. Overview

Course block I: The development of Western welfare states in the 20th century: trends, types and typologies

Friday, July 1st

10.00-12.00 Session 1: Organization and introduction

13.30-15.30 Session 2: Determinants of welfare state development I: „Power resources“

16.00-18.00 Session 3: Determinant of welfare state development II: “Varieties of Capitalism” and Institutionalism

Saturday, July 2nd

10.00-12.00 Session 4: Country cases: Germany, UK, Sweden, Switzerland (Group work)

13.30-15.30 Session 5: Country cases: classification of policies, actors and processes

16.00-18.00 Session 6: Globalization and post-industrialization: Challenges to the welfare state?

Course block II: Welfare states in the post-industrial era: challenges and reactions

Friday, July 15th

10.00-12.00 Session 7: Politics of adaptation: stability or change?

13.30-15.30 Session 8: Politics of adaptation: new social risks and social investment policies

16.00-18.00 Session 9: Politics of adaptation: the dualization of welfare states?

Saturday, July 16th

10.00-12.00 Session 10: Conflict lines in the post-industrial “modernization” of welfare states

13.30-15.30 Session 11: Post-industrial welfare policy in selected countries : substantial reforms and institutional changes

16.00-18.00 Session 12: The future of the welfare state: „hot topics“

3. Detailed course program

Course block I: The development of Western welfare states in the 20th century: trends, types and typologies

Session 1: Organization and introduction

July 1st 2011, 10.00-12.00h

Session 2: Determinants of welfare state development I: “Power resources”

July 1st 2011, 13.30-15.30h

“Power resources” became the dominant approach in welfare state research in the 1980s. How do proponents of this approach explain welfare state development? What are the most important driving forces? Why and to what extent does the design and generosity of welfare policies vary between countries?

How benefits from the welfare state in Esping-Andersen’s three regimes?

Required readings:

Esping-Andersen, Gösta (1990). *The Three Worlds of Welfare Capitalism*. Princeton: Princeton University Press. Kapitel 1, 3, und 5.

Optional additional readings:

Orloff, Ann Shola (1993). “Gender and the Social Rights of Citizenship: the Comparative Analysis of Gender Relations and Welfare States”, *American Sociological Review*, 58(3): 303-328.

Bonoli, Giuliano (1997). “Classifying Welfare States: a Two-dimension Approach”, *Journal of Social Policy* 26 (3): 351-372.

Esping-Andersen, Gösta (1990). *The Three Worlds of Welfare Capitalism*. Princeton: Princeton University Press. Kapitel 2, 4, 9.

Bradley, David, Evelyne Huber, Steaphie Moller, François Nielsen, and John D. Stephens 2003. Distribution and redistribution in postindustrial democracies, *World Politics* 55, January: 193-228.

Manow, Philip (2002). 'The Good, the Bad, and the Ugly'. Esping-Andersens Wohlfahrtsstaatstypologie und die konfessionellen Grundlagen des westlichen Sozialstaats”, *Kölner Zeitschrift für Soziologie und Sozialpsychologie*, 54, 203-225.

Art, Wil and John Gelissen (2002). “Three worlds of welfare capitalism or more? A state-of-the-art report”, *Journal of European Social Policy*, 12: 137-158.

Session 3: Determinants of welfare state development II: “Varieties of Capitalism” and Institutionalism

July 1st 2011, 16.00-18.00h

The Power resources approach and Esping-Andersen’s typology have caused many debates and criticism. Two of these “answers” are alternative approaches in themselves: “Varieties of Capitalism” and institutionalist arguments.

- a) proponents of institutionalist approaches argue that the analysis of power relations alone is not sufficient: political institutions have their own, independent influence on the design and size of welfare states. Which institutions are relevant? What does this argument change about the typology of Esping-Andersen’s three worlds of welfare capitalism?
- b) To what extent is “Varieties of Capitalism VoC” an alternative to power resources and to institutionalist accounts of the welfare state? How do proponents of VoC explain the development of the welfare state? Who benefits from social policy? What are “institutional complementarities”?

How could we test which explanation of welfare state development (power resources, institutionalism, VoC) is the most accurate?

Required readings:

Huber, Evelyne, Charles Ragin and John D. Stephens (1993). “Social Democracy, Christian Democracy, Constitutional Structure, and the Welfare State”, *American Journal of Sociology* 99(3): 711-749.

Estevez-Abe, Margarita, Torben Iversen and David Soskice (2001). “Social Protection and the Formation of Skills: A Reinterpretation of the Welfare State”, in Peter A. Hall and David Soskice (eds.). *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press.

Optional additional readings

Iversen, Torben and David Soskice (2006). “Electoral Institutions, Parties and the Politics of Class: Why Some Democracies Redistribute More than Others”, *American Political Science Review* 100(2).

Manow, Philip (2008). “Electoral Rules, class coalitions and welfare state regimes – or how to explain Esping-Andersen with Stein Rokkan”, *Socio Economic Review* 7(1), 101-121.

Birchfield, Vicky and Marcus Crepaz (1998). “The Impact of Constitutional Structures and Collective and Competitive Veto Points on Income Inequality in Industrialized Democracies”, *European Journal of Political Research* 34: 175-200.

Hall, Peter A. and David Soskice (2001). “An Introduction to Varieties of Capitalism”, in Peter A. Hall and David Soskice (eds.). *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press.

Mares, Isabela (2001). “Firms and the Welfare State: When, Why and How Does Social Policy Matter to Employers?”, in Peter A. Hall and David Soskice (eds.). *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press.

Session 4: Country cases: Germany, Switzerland, Sweden and the UK

July 2nd 2011, 10.00-12.00h

Group work in preparation of session 5

Preparatory reading see session 5

Session 5: Country cases: classification of policies, actors and processes

July 2nd 2011, 13.30-15.30h

Germany, Sweden, Switzerland and the UK are typical examples of different welfare regime types. They differ both in the generosity and in the design of their welfare state institutions. Where do you place these country cases in the discussed typologies? Why?

How do we understand the specifics of particular welfare states? Why is redistribution low and social insurance strong in Germany? Why is it the other way around in Sweden and why has the Swiss welfare state developed so slowly? Why is social insurance weak in the UK, while benefits are highly redistributive?

How can we explain these differences and answer these questions in the light of the specific welfare state theories we have discussed so far? (power resources, institutionalism, Varieties of Capitalism)?

Which actors (political parties, trade unions, employer organizations, societal actors) were key in the development of social policy in these countries?

Required alternative readings (students will have to read two country chapters, which will be assigned to them depending on the group work in session 5):

Rhodes, Martin (2000). "Restructuring the British Welfare State: Between Domestic Constraints and Global Imperatives", in Fritz W. Scharpf and Vivien A. Schmidt (eds). *Welfare and Work in the Open Economy. Volume II. Diverse Responses to Common Challenges*. Oxford: Oxford University Press.

Bonoli, Giuliano and André Mach (2000). "Switzerland: Adjustment Politics within Institutional Constraints", in Fritz W. Scharpf and Vivien A. Schmidt (eds). *Welfare and Work in the Open Economy. Volume II. Diverse Responses to Common Challenges*. Oxford: Oxford University Press.

Manow, Philip and Eric Seils (2000). "Adjusting Badly: The German Welfare State, Structural Change and the Open Economy", in Fritz W. Scharpf and Vivien A. Schmidt (eds). *Welfare and Work in the Open Economy. Volume II. Diverse Responses to Common Challenges*. Oxford: Oxford University Press.

Benner, Mats and Torben Bundgaard Vad (2000). "Sweden and Denmark: Defending the Welfare State", in Fritz W. Scharpf and Vivien A. Schmidt (eds). *Welfare and Work in the Open Economy. Volume II. Diverse Responses to Common Challenges*. Oxford: Oxford University Press.

Session 6: Globalization and post-industrialization: Challenges to the welfare state?

July 2nd 2011, 16.00-18.00h

The context of welfare policy has changed profoundly since the 1970s: while politics revolved around the extension and construction of the social security during the post-war years, the signs suddenly turned to financial consolidation and austerity from the 1980s onwards.

Where does this pressure on the welfare state come from? What exactly are the “challenges” that derive from globalization and post-industrialization on “industrial welfare states”? To what extent are these challenges different according to different welfare regimes?

Required readings:

Iversen, Torben and Anne Wren (1998). “Equality, Employment, and Budgetary Restraint: The Trilemma of the Service Economy”, *World Politics*, 50(July): 507-546.

Pierson, Paul (2001). “Post-Industrial Pressures on the Mature Welfare States”, in Paul Pierson (ed.). *The New Politics of the Welfare State*. Oxford and New York: Oxford University Press.

Optional additional readings

Walter, Stefanie (2010). “Globalization and the Welfare State. Testing the Microfoundations of the Compensation Hypothesis”, *International Studies Quarterly*.

Schwarz, Herman 2001. “Round Up the Usual Suspects! Globalization, Domestic Politics, and Welfare State Change”, pp. 17-44 in *The New Politics of the Welfare State*, edited by Paul Pierson, Oxford University Press.

Rodrik, Dani (1997). *Has Globalization Gone Too Far?* Washington: Institute for International Economics. Kapitel 1-5.

Scharpf, Fritz (1997). “Economic integration, democracy and the welfare state”, *Journal of European Public Policy*, 4(1): 18-36.

Course block II: Welfare states in the post-industrial era: challenges and reactions

Session 7: Politics of adaptation: stability or change?

July 15th 2011: 10-12h

How do welfare states react to the challenges of “permanent austerity”? Pierson has developed a “new politics”-argument of stability and inertia, which holds that welfare policies cannot be retrenched for institutional reasons. Clayton and Pontusson contradict this thesis on the basis of the power resources approach, and so do Allan and Scruggs. According to them, post-industrial politics is indeed characterized by welfare retrenchment. What are the political mechanisms these authors base their arguments on? Why do they reach such different conclusions?

Required readings:

Pierson, Paul (1996). “The New Politics of the Welfare State”, *World Politics* 48(2): 143-179.

Clayton, Richard and Jonas Pontusson (1998). “Welfare-state Retrenchment Revisited – Entitlement Cuts, Public Sector Restructuring, and Inegalitarian trends in Advanced Capitalist Societies”, *World Politics* 51(1): 67-98.

Allan, James P. And Lyle Scruggs 2004. Political partisanship and welfare state reform in advanced industrial societies, *American Journal of Political science* 48, 3: 496-512.

Optional additional readings

Korpi, Walter and Joakim Palme (2003). „New Politics and Class Politics in the Context of Austerity and Globalization. Welfare State Regress in 18 Countries 1975-1995“, *American Political Science Review*, 97(3): 425-446.

Swank, Duane (2001). „Political Institutions and Welfare State Restructuring. The Impact of Institutions on Social Policy Change in Developed Democracies“, in Paul Pierson (ed.). *The New Politics of the Welfare State*. Oxford and New York: Oxford University Press.

Kitschelt, Herbert (2001). „Partisan Competition and Welfare State Retrenchment: When Do Politicians Choose Unpopular Policies?“, in Paul Pierson (ed.). *The New Politics of the Welfare State*. Oxford and New York: Oxford University Press.

Session 8: Politics of adaptation: new social risks and social investment policies

July 15th 2011: 13.30-15.30h

A further strand in the recent welfare literature argues that there are new social risks which defy the pressure towards retrenchment, because they – quite contrarily – create pressure for new and additional social protection. What are new social risks? Who is affected by them and how do they differ from the “old” social risks? What are the chances that welfare states adapt to these new challenges?

Required readings:

Bonoli, Giuliano (2006). “New social risks and the politics of post-industrial social policies”, in Klaus Armingeon and Giuliano Bonoli (eds.). *The Politics of Post-Industrial Welfare States*. London and New York: Routledge.

Optional additional readings

Huber, Evelyne and John D. Stephens (2006). “Combating old and new social risks”, in Klaus Armingeon and Giuliano Bonoli (eds.). *The Politics of Post-Industrial Welfare States*. London and New York: Routledge.

Ebbinghaus, Bernhard (2006). “Trade union movements in post-industrial welfare states: opening up to new social interests?”, in Klaus Armingeon and Giuliano Bonoli (eds.). *The Politics of Post-Industrial Welfare States*. London and New York: Routledge.

Esping-Andersen (1999). *Social foundations of Postindustrial Economies*. Oxford and New York: Oxford University Press. Kapitel 3 und 4.

Bonoli, Giuliano (2005). “The Politics of New Social Policies: Providing Coverage against New Social Risks in Mature Welfare States”, *Policy and Politics*, 33(3): 431-449.

Levy, Jonah (1999). “Vice into Virtue? Progressive Politics and Welfare State Reform in Continental Europe”, *Politics and Society* 27(2): 239-273.

Session 9: Politics of adaptation: dualization of welfare states

July 15th 2011: 16.00-18.00h

A rapidly growing literature argues that welfare states are becoming increasingly „dualized“: this means that they differentiate benefits and services between labor market insiders and labor market outsiders.

What do we mean by „dualization“? Which two groups are to be distinguished? Where does dualization come from? Is it structurally caused or politically made? Is dualization welfare retrenchment? Does it necessarily lead to more inequality?

Required readings:

King, Desmond and David Rueda (2008). „Cheap Labor. The politics of bread and roses in industrial democracies“, *Perspectives on Politics* (2008), 6 : 279-297.

Palier, Bruno and Kathleen Thelen (2010). „Institutionalizing Dualism: Complementarities and Change in France and Germany“.

Optional additional readings:

Iversen, Torben and David Soskice (2009). „Dualism and political coalitions: Inclusionary versus exclusionary reforms in an age of rising inequality“, paper prepared for presentation at the APSA meeting 2009, Toronto, 2010.

Davidsson, Johan and Naczyk, Marek (2009). The Ins and Outs of Dualisation: A Literature Review. *RECOWWE working paper* 02/09.

Häusermann, Silja and Hanna Schwander (2009b). Identifying outsiders across countries: similarities and differences in the patterns of dualisation. *RECOWWE working paper* 09/09.

Session 10: Conflict lines in the post-industrial “modernization” of welfare states

July 16th 2011: 10.00-12.00h

Post-industrial welfare politics involves different political conflict lines and cleavages. Is the class conflict still relevant? Which other/new conflict lines structure postindustrial social policy reform processes?

What does this change in conflict lines imply for power relations between actors, coalitions and reform outputs?

Required readings:

Rueda, David 2005. Insider-Outsider Politics in Industrialized Democracies: The Challenge to Social Democratic Parties, *American Political Science Review* 99, 1: 61-74.

Häusermann, Silja (2010). “What explains the unfreezing of continental welfare states? Changing electoral party constituencies as drivers of reform”, Conference of Europeanists, April 14-17th 2010, Montréal.

Optional additional readings

Häusermann, Silja (2006). “Changing Coalitions in Social Policy Reforms: The Politics of New Social Needs and Demands”, *Journal of European Social Policy* 16(1): 5-21.

Kitschelt, Herbert and Philip Rehm (2005). “Work, Family and Politics. Foundations of Electoral Partisan Alignments in Post-Industrial Democracies”, paper prepared for delivery at the Annual Meeting of the American Political Science Association, Washington D.C., September 1-4, 2005.

Lynch, Julia (2006). *Age in the Welfare State. The Origins of Social Spending on Pensioners, Workers and Children*. Cambridge University Press. Chapters 1-3.

Esping-Andersen, Gösta (1999). “Politics Without Class: Postindustrial Cleavages in Europe and America”, in Herbert Kitschelt, Peter Lange, Gary Marks and John D. Stephens (eds.). *Continuity and Change in Contemporary Capitalism*. Cambridge and New York: Cambridge University Press.

Session 11: Post-industrial welfare policy in selected countries: substantial reforms and institutional changes in continental welfare states

July 16th 2011: 13.30-15.30h

How does the new context (austerity, new social risks, social investment, dualization) impact on the recent development of welfare states in continental welfare states, the most challenged regimes of all welfare states? Where were reforms strongest? Why do we observe different reform performances and trajectories?

How does the power balance change in the wake of reforms? Do trade unions lose power in continental Europe or do they retain an important place in the politics of welfare reform?

Required readings:

Palier, Bruno (2010). “Ordering Change: Understanding the Bismarckian Welfare Reform Trajectory”, in Bruno Palier (ed). *A Long Goodbye To Bismarck. The Politics of Welfare Reform in Continental Europe*. Amsterdam University Press.

Ebbinghaus, Bernhard (2010). “Reforming Bismarckian Corporatism: The Changing Role of Social Partnership in Continental Europe”, in Bruno Palier (ed). *A Long Goodbye To Bismarck. The Politics of Welfare Reform in Continental Europe*. Amsterdam University Press.

Optional additional readings

Hinrichs, Karl (2010). “A Social Insurance State Withers Away. Welfare State Reforms in Germany – Or: Attempts to Turn Around in a Cul de Sac”, in Bruno Palier (ed). *A Long*

Goodbye To Bismarck. The Politics of Welfare Reform in Continental Europe. Amsterdam University Press.

Häusermann, Silja (2010). "Reform Opportunities in a Bismarckian Latecomer: Restructuring the Swiss Welfare State", in Bruno Palier (ed). *A Long Goodbye To Bismarck. The Politics of Welfare Reform in Continental Europe.* Amsterdam University Press.

Lister, Ruth. 2004. "The Third Way's Social Investment State", in Jane Lewis and Rebecca Surender (eds.). *Welfare State Change. Towards a Third Way?* Oxford University Press.

Session 12: The future of the welfare state: "hot topics"

July 16th 2011: 16.00-18.00h

Which topics will mark the agenda of welfare state research over the next few years? Which topics are under-represented on the welfare state research agenda? Here are two examples:

- a) Immigration, right-wing populism and welfare policy
- b) Age and the welfare state: the grey power hypothesis

What are the problems and topics these contributions deal with? Why have these topics been underrepresented for such a long time? Where do you see the "hot topics" in welfare state research in the coming years?

Required readings:

Banting, Keith, Richard Johnston, Will Kymlicka and Stuart Soroka (2006). "Do multiculturalism policies erode the welfare state? An empirical analysis", in Keith Banting and Will Kymlicka (eds.). *Multiculturalism and the Welfare State. Recognition and Redistribution in Contemporary Democracies.* Oxford and New York: Oxford University Press.

Bonoli, Giuliano and Silja Häusermann (2008). „New socio-structural conflicts in social policy issues: evidence from Swiss referendum votes“, *European Societies.*

Optional additional readings

Banting, Keith and Will Kymlicka (2006). "Introduction: Multiculturalism and the welfare state: Setting the context", in Keith Banting and Will Kymlicka (eds.). *Multiculturalism and the Welfare State. Recognition and Redistribution in Contemporary Democracies.* Oxford and New York: Oxford University Press.

Kymlicka, Will and Keith Banting (2006). "Immigration, Multiculturalism, and the Welfare State", *Ethics and International Affairs*, 20(3): 281-304.

Swank, Duane and Hans-Georg Betz (2003). "Globalization, the welfare state and right-wing populism in Western Europe", *Socio-Economic Review* 1: 215-245.

Busemeyer, Marius, Achim Goerres and Simon Weschle (2009). "Attitudes towards redistributive spending in an era of demographic ageing: the rival pressures from age and income in 14 OECD countries", *Journal of European Social Policy* 2009(19).

Lynch J. and Campbell AL (2001). "Whose 'Gray Power'? Elderly Voters, Elderly Lobbies, and Welfare Reform in Italy and the United States." *Italian Politics and Society* 53: 11-39.

4. Organization / Presentation and term paper

Registration

Registration is open through Studis until June 15th. All course material – slides, readings - will be available through Ilias to registered students.

Oral presentations

Registered students need to give a short (max. 10 min) oral presentation on the topic (i.e. the readings) of one of the sessions. The presentation is NOT supposed to summarize the readings. Rather, students should present those 3-5 aspects they consider the most relevant in these readings. These can be points of criticism or positive aspects, or also just the most interesting or important aspects of a text. Thereby, they should argue a) what is said in the texts on this aspect, b) why they consider this relevant for the literature and c) why they personally consider this relevant.

Topics for oral presentations are distributed directly on a first come, first served basis. Students are asked to send an e-mail to Silja Häusermann, indicating three sessions in which they would like to present (if possible with a rank ordering).

Questions for discussion

Registered participants need to send in written questions and/or contributions for discussion for 5 of the 12 sessions on the electronic learning platform Ilias. You can choose the sessions for which you send questions freely. Deadline for sending in these questions is Wednesday before a course block, at noon.

Written term paper

Registered students need to write a term paper (5000-8000 words). The topic for the paper can be chosen autonomously, but needs to be discussed and agreed upon with Silja Häusermann.

The term paper needs a theoretically substantiated question, a discussion of the answers existing theory gives to this question (on the basis of readings from the seminar and additional, autonomously researched literature), and an empirical examination of the question (if possible on the basis of preexisting data). The paper can rely on qualitative or quantitative methods.

Please discuss your topic and outline with Silja Häusermann, either after our block course (between 6 and 7 pm on course days) or upon individual appointment. Before the discussion, please send a written proposal (1-3 pages) to Silja Häusermann with a question and an outline for the paper. Please let me know if you would like to discuss your paper after a day of course sessions, so that I can establish a schedule for appointments.

Deadline for these term papers is September 15th. Please send your paper as a pdf-File to Silja Häuserman directly.

Credit points

To receive the 6 credit points for this seminar, you need to fulfill all three parts satisfactorily (oral presentation, written questions for discussion, written term paper).