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## **Wahlmodul**

# **Comparative Welfare State Analysis**

**VVZ 4395**

**HS 2012**

**AND 2-48**

**Wednesday, 16.15-18.00h**

## **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 comparative political economy.

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

## 2. Course program

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

September 19<sup>th</sup>

**Session 1: Organization and introduction**

September 26<sup>th</sup>

**Session 2: The Good, the Bad and the Ugly: typologies of welfare regimes**

How and why does social policy differ between countries? Research on welfare regimes distinguishes between different types of welfare states, which have developed after the second World War. Which are the distinctive criteria that separate different regime types? What are the distinctive distributive effects of these regime types and for whom? Which regimes redistribute the most? More generally: who are the winners and losers of welfare states in the three regimes Esping-Andersen distinguishes?

#### **Required readings:**

Esping-Andersen, Gösta (1990). *The Three Worlds of Welfare Capitalism*. Princeton: Princeton University Press. Kapitel 1, 2, 3.

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

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.

#### **Optional additional readings:**

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.

October 3<sup>rd</sup>

**Session 3: Determinants of welfare state development I: “Power resources”**

“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. Chapter 5.

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.

**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.

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.

October 10<sup>th</sup> session cancelled

October 17<sup>th</sup>

## Session 4: Determinants of welfare state development II: “Varieties of Capitalism” and Institutionalism

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

Birchfield, Vicky and Marcus Crepez (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.

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.

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.

**October 24<sup>th</sup>**

**Session 5: Switzerland – Policies and typological contextualization**

In comparative perspective, the Swiss welfare state has developed very slowly and late. Even today, it remains of a very moderate size comparatively. How can we make sense of this in the light of the previously discussed theories (power resources, institutionalism, varieties of capitalism)?

The positioning of the Swiss welfare state within Esping-Andersen's typology was contested for a long time. Why? Which type would you attribute it to? Who benefits from social policy in Switzerland?

**Obligatorische Lektüre:**

Obinger, Herbert (1998). *Politische Institutionen und Sozialpolitik in der Schweiz*. Frankfurt a.M.: Peter Lang. Kapitel 6.

Armingeon, Klaus (2001). "Institutionalising the Swiss Welfare State", *West European Politics*, 24(2): 145-168.

Künzi, Kilian und Markus Schärer (2004). *Wer zahlt für die Soziale Sicherheit und wer profitiert davon? Eine Analyse der Sozialtransfers in der Schweiz*. Zürich: Rüegger. Chapters 4 and 5.

**Vertiefende Lektüre:**

Armingeon, Klaus Fabio Bertozzi and Giuliano Bonoli (2004). "Swiss Worlds of Welfare", *West European Politics*, 27(1): 20-44.

Leitner, Sigrud and Herbert Obinger (1996). "Feminisierung der Armut im Wohlfahrtsstaat. Eine strukturelle Analyse weiblicher Armut am Beispiel der Alterssicherung in Österreich und in der Schweiz", *Swiss Political Science Review* 2(4): 1-35.

Leu, Robert E., Stefan Burri und Tom Priester (1997). *Lebensqualität und Armut in der Schweiz*. Bern: Haupt.

Obinger, Herbert (1998). *Politische Institutionen und Sozialpolitik in der Schweiz*. Frankfurt a.M.: Peter Lang. Kapitel 2, 4 und 5.

Trampusch, Christine (2008). "Von einem liberalen zu einem post-liberalen Wohlfahrtsstaat. Der Wandel der gewerkschaftlichen Sozialpolitik in der Schweiz", *Swiss Political Science Review* 14(1), 49-84.

**October 31<sup>st</sup>**

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

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

November 7<sup>th</sup>

### Session 7: Politics of adaptation: stability or change?

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.

November 14<sup>th</sup>

**Session 8: A post-industrial social structure – a changing welfare reform agenda for a changing society and labor market**

Austerity is not the only new challenge to the welfare state. In the wake of post-industrialism, labor market structures and family structures change as well, and they create a new set of social needs and demands to which the welfare state is supposed to provide an answer. What are the main changes in labor market and social structures? What are the typically post-industrial social needs and demands? In which regimes do they appear saliently on the agenda and why?

**Required readings**

Oesch Daniel, Coming to grips with a changing class structure. An analysis of employment stratification in Britain, Germany, Sweden and Switzerland. *International Sociology* 21(2), pp. 263-288, 2006.

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

**Optional additional readings**

Oesch D., Rodriguez Menes J., Upgrading or polarization? Occupational change in Britain, Germany, Spain and Switzerland, 1990-2008. *Socio-Economic Review* 9(3), pp. 1-29, 2011.

November 21<sup>st</sup>

**Session 9: Politics of adaptation: new social risks and social investment policies**

A strand in the recent welfare literature argues that new social risks create pressure for new and additional social protection and a new social policy paradigm: social investment. What are new social risks? Who is affected by them and how do they differ from the “old” social risks? What is social investment and in what sense does it differ from traditional social policy? What are the chances that welfare states adapt to the 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.

Jenson, Jane (2011). “Redesigning citizenship regimes after neoliberalism: moving towards social investment“, in Nathalie Morel, Bruno Palier and Joakim Palme (eds.). *Towards a social investment welfare state? Ideas, policies and challenges*. Policy Press.



### **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.

### **November 28<sup>th</sup>**

#### **Session 10: Politics of adaptation: dualization of welfare states**

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:**

- Häusermann, Silja and Hanna Schwander (2012). "Varieties of Dualization? Labor Market Segmentation and Insider-Outsider Divides Across Regimes", in Patrick Emmenegger, Silja Häusermann, Bruno Palier and Martin Seeleib-Kaiser (eds.). *The Age of Dualization. The Changing Face of Inequality in Deindustrializing Societies*. Oxford University Press.
- Palier, Bruno and Kathleen Thelen (2010). "Institutionalizing Dualism: Complementarities and Change in France and Germany".

#### **Optional additional readings:**

- Patrick Emmenegger, Silja Häusermann, Bruno Palier and Martin Seeleib-Kaiser (eds.). *The Age of Dualization. The Changing Face of Inequality in Deindustrializing Societies*. Oxford University Press. Introduction and Conclusion.
- Eichhorst, Werner and Paul Marx (2012). "Whatever works: dualization and the service economy in Bismarckian welfare states", in Patrick Emmenegger, Silja Häusermann, Bruno Palier and Martin Seeleib-Kaiser (eds.). *The Age of Dualization. The Changing Face of Inequality in Deindustrializing Societies*. Oxford University Press.

- King, Desmond and David Rueda (2008). "Cheap Labor. The politics of bread and roses in industrial democracies", *Perspectives on Politics* (2008), 6 : 279-297.
- 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. *RECOWE working paper* 02/09.
- Häusermann, Silja and Hanna Schwander (2009b). Identifying outsiders across countries: similarities and differences in the patterns of dualisation. *RECOWE working paper* 09/09.

**December 5<sup>th</sup>**

**Session 11: Conflict lines in the post-industrial "modernization" of welfare states and the new partisan politics of the welfare state**

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:**

- Häusermann, Silja, Georg Picot and Dominik Geering (2012). „Rethinking Party Politics and the Welfare State. Recent Advances in the Literature“, *British Journal of Political Science*.
- 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.
- Häusermann, Silja (forthcoming). "The Politics of Old and New Social Policies", in Giuliano Bonoli and David Natali (eds). *The Politics of the New Welfare State*. Oxford University Press.
- 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.
- 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.

## December 12<sup>th</sup>

### Session 12: Switzerland – recent reforms and politics

What is the impact of the new context (financial pressure, new social risks) on recent social policy developments in the Swiss welfare state? Given the many veto points in the Swiss political system, we would expect stability rather than change. Can the Swiss welfare state be reformed? Does it need to be reformed? In what direction?

#### Required readings

Häusermann, Silja (2008). „Ist das politische System in der Schweiz in der Lage, den Sozialstaat zu modernisieren?“, in Fabio Bertozzi and Giuliano Bonoli (eds.). *L'Etat social suisse face aux nouveaux défis sociaux*. Lausanne: Presses Polytechniques de Lausanne.

Bonoli, Giuliano and Silja Häusermann (forthcoming). „The Swiss welfare state in a comparative European perspective“, in A. Mach and Ch. Trampusch (eds). *Switzerland in Europe. Continuity and Change in the Swiss Political Economy*. London: Routledge

#### Optional additional readings

Häusermann, Silja (2006). “Reform opportunities in a Bismarckian latecomer. Restructuring the Swiss Welfare State”, paper prepared for presentation at the workshop „A Long Goodbye to Bismarck? The Politics of Welfare Reforms in Continental Europe“, Minda de Gunzburg Center for European Studies, Harvard University, Cambridge MA, June 16-17, 2006.

Ballestri, Yuri and Giuliano Bonoli (2003). „L'Etat social suisse face aux nouveaux risques sociaux“, *Swiss Political Science Review* 9(3): 35-58.

Bonoli, Giuliano, Fabio Bertozzi and Benoît Gay-des-Combes (2005). *La réforme de l'Etat social en Suisse*. Lausanne: Presses Polytechniques et Universitaires Romandes.

Häusermann, Silja, André Mach and Yannis Papadopoulos (2004). “From Corporatism to Partisan Politics. Social Policy-Making under strain in Switzerland”, *Swiss Political Science Review* 10(2): 33-59.

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.

## December 19th

### Session 13: Written exam

### **3. Organization / Presentation / Written Exam**

#### Materials

All course material – slides, readings - will be available through OLAT 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 in the first session of the seminar.

#### Questions for discussion

Registered participants need to send in written questions and/or contributions for discussion for 4 of the 12 sessions on the electronic learning platform OLAT. You can choose the sessions for which you send questions freely. Deadline for sending in these questions is Sunday before a course block, at midnight.

#### Written exam

There is a written exam at the end of the semester, in the last session (December 19<sup>th</sup>). The exam is open book.

#### Credit points

To receive the 4 credit points for this seminar, you need to fulfill both parts satisfactorily (oral presentation & written questions for discussion; written exam). The oral presentation counts for 30%, the written exam for 70% of the final grade.