Research seminar: The political economy of social policy reforms
University of Greifswald – Summer term 2019 – Thursday, 8–12 AM, Room 3.28

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Consultation: Wednesday, 1–2 PM (by appointment only)

I. Course description

Modern welfare states exhibit remarkable differences in their provision of social security. These differences can be empirically assessed with the help of macro-quantative studies. However, there is no single theoretical approach that can explain substantial variation in social security provision within welfare states in general. Thus, the seminar focuses on multiple x-centered explanatory approaches (i.e. socio-economic mechanisms, power resource and partisan theory, institutional explanations, and internationalization) that describe varying degrees of welfare generosity and overall effort in social expenditures.

The aim of the seminar is enable students to conduct an empirical policy analysis and to learn how to write a term paper in comparative politics. Students will be instructed on i) how to formulate a research question, ii) literature search and subsequent listing in an annotated bibliograhpy, iii) explicate theoretical arguments and deduct hypotheses, iv) search for data in multiple sources, v) conducting non-inferential description of data, vi) carrying out empirical analyses, and vii) authoring an empirical study. Term papers should focus on explicating a single causal mechanism that influences welfare policies to a certain degree with the help of statistical analysis.

II. Literature

Baglione, L. A. (2015). *Writing a research paper in political science: A practical guide to inquiry, structure, and methods.* CQ Press.

Castles, F. G., Leibfried, S., Lewis, J., Obinger, H., and Pierson, C. (2010). *The Oxford Handbook of the Welfare State.* Oxford University Press.

Miller, J. E. (2013). *The Chicago guide to writing about multivariate analysis.* University of Chicago Press.

III. Term paper

Research design

- Quantitative-empirical analysis is **mandatory**
- Analysis should be a cross-sectional or time-series cross-sectional analysis

Deadline and submission

- Deadline for paper submission is August 31st
- Submission via email (with replication files and dataset) **and** printed copy (can be handed in at the administration office)

Formal requirements

- Paper must consist of 15–18 pages of continuous text (excluding graphs, tables, and references)
- 12pt font size, with serifs, 1.5 line spacing
- Fully justified text, including hyphenation
- Margins of 2.5cm on all sides
- Paper can be written either in English or German.

IV. Syllabus

Introduction and planning – April 4th

Description: This session serves for introductory purposes.

1st session – April 11th

Dependent variable I – Aggregated social expenditures

Description: The first session deals with common outcomes of welfare effort and the (dis)advantages of analyzing those indicators. Therefore, we will discuss the so-called "dependent variable problem" and its implications on empirical research. In the methods section we will discuss the characteristics and importance of the research question that should guide every empirical study.

a) Texts on aggregated social expenditures

Obinger, H., and Wagschal, U. (2012). Social Expenditure and Revenues. In: Castles, F. G., Leibfried, S., Lewis, J., Obinger, H., and Pierson, C. (eds.). *The Oxford Handbook of the Welfare State.* Oxford: Oxford University Press. Part V, Chapter 23, pp. 333–352.

Siegel, N. (2007). When (only) money matters: the pros and cons of expenditure analysis, in: Clasen, J., and Siegel, N. (eds.). *Investigating Welfare State Change: The 'Dependent Variable Problem' in Comparative Analysis.* Edward Elgar. Part II, Chapter 4, pp. 43–71.

b) Methods: Research question

Baglione, L. A. (2015). *Writing a research paper in political science: A practical guide to inquiry, structure, and methods.* Chapter 2: Getting Started: Finding a Research Question, pp. 15–40.

2nd session – April 18th

Dependent variable II – Decommodification and welfare state generosity

Description: The second session is dedicated to output indicators that represent alternatives to social expenditure data by capturing the extent of welfare states via advanced forms of operationalization (i.e. decommodification and generosity scores). In the methods section, basic techniques for literature search, categorisation of arguments, and preparation of an annotated bibliography will be discussed.

a) Texts on decommodification and generosity

Esping-Andersen, Gøsta (1990). *The Three Worlds of Welfare Capitalism.* Princeton University Press. Part I, Chapter 2, pp. 35–54.

Scruggs, L. (2007). Welfare State Decommodification in Time and Space, in: Siegel, N., and Clasen, J. (eds.). *Investigating Welfare State Change The 'Dependent Variable Problem' in Comparative Analysis.* Edward Elgar. Part III, Chapter 7, pp. 133–166.

b) Methods: Bibliography and arguments

Baglione, L. A. (2015). *Writing a research paper in political science: A practical guide to inquiry, structure, and methods.* Chapter 3: Learning Proper Citation Forms, Finding the Scholarly Debate, and Summarizing and Classifying Arguments: The Annotated Bibliography, pp. 40–74.

3rd session – April 25th

Explanatory approach I – Socio-economic influences

Description: In the third session, we will focus on our first explanatory approach for welfare state diversity. Hence, we will take a look at how socio-economic pressures (e.g. unemployment, demographic ageing, education) are facilitating, impeding or constraining welfare policy reforms. In the methods section, authoring of a theoretical section and working with a reference management software (e.g. Citavi, Endnote) will be explained.

a) Basic text

Zutavern, J., and Kohli, M. (2012). Needs and Risks in the Welfare State. In: Castles, F. G., Leibfried, S., Lewis, J., Obinger, H., and Pierson, C. (eds.). *The Oxford Handbook of the Welfare State.* Oxford: Oxford University Press. Part IV, Chapter 11, pp. 169–182.

b) Empirical applications

Castles, F. G. and Obinger, H. (2007). *Social expenditure and the politics of redistribution.* Journal of European Social Policy, 17(3):206–222. doi:10.1177/0958928707078364

Kangas, O. and Palme, J. (2007). Social rights, structural needs and social expenditure: a comparative study of 18 OECD countries 1960-2000. In Clasen, J. and Siegel, N. A., editors, *Investigating Welfare State Change: The Dependent Variable Problem in Comparative Analysis*, pages 106–129. Edward Elgar Publishing.

c) Methods: Writing the literature review

Baglione, L. A. (2015). *Writing a research paper in political science: A practical guide to inquiry, structure, and methods.* Chapter 4: Making Sense of the Scholarly Answers to Your Research Question: Writing the Literature Review, pp. 75–92.

4th session – May 2nd

Explanatory approach II – Power resources

Description: In the fourth session, we will discuss a second explanatory approach of welfare state reform that concentrates on union-employer relationships as well as class coalitions. In the methods section, authoring of a theoretical section and subsequent deduction of hypotheses that can be tested within an empirical study will be discussed.

a) Basic text:

Ebbinghaus, B. (2012). Unions and Employers. In: Castles, F. G., Leibfried, S., Lewis, J., Obinger, H., and Pierson, C. (eds.). *The Oxford Handbook of the Welfare State.* Oxford: Oxford University Press. Part IV, Chapter 13, pp. 196–210.

b) Empirical applications:

Korpi, W., and Palme, J. (2003). New Politics and Class Politics in the Context of Austerity and Globalization: Welfare State Regress in 18 Countries, 1975–95. *American Political Science Review 97*(3), pp. 425–446. doi:10.2307/2657333

Rueda, D. (2005). Insider–outsider politics in industrialized democracies: The challenge to social democratic parties. *American Political Science Review*, 99(1):61–74. doi:10.1017/S000305540505149X

c) Methods: Theory and and deduction of hypotheses

Baglione, L. A. (2015). *Writing a research paper in political science: A practical guide to inquiry, structure, and methods.* Chapter 5: Effectively Distilling Your Argument: The Thesis, Model, and Hypothesis, pp. 93–108.

5th session – May 9th

Explanatory approach III – Partisanship

Description: The fifth session deals with partisan theory and the influence of political parties on social policy reform. We will discuss different types of political ideologies and how the welfare state and certain social policies is viewed from different ideological perspectives. In the methods section, fundamental aspects of the research design of an empirical study will be discussed and the most important sources for data gathering on welfare states will be explored.

a) Basic text

Schmidt, M. G. (2012). Parties. In: Castles, F. G., Leibfried, S., Lewis, J., Obinger, H., and Pierson, C. (eds.). *The Oxford Handbook of the Welfare State*. Oxford: Oxford University Press. Part IV, Chapter 14, pp. 211–226.

b) Empirical applications

Allan, J. P., and Scruggs, L. (2004). Political partisanship and welfare state reform in advanced industrial societies. *American Journal of Political Science 48*(3), pp. 496–512. doi:10.1111/j.0092-5853.2004.00083.x

Loftis, M. W., and Mortensen, P. B. (2017). A new approach to the study of partisan effects on social policy. *Journal of European Public Policy 24*(6), 890–911. doi:10.1080/13501763.2017.1298656

c) Methods I: Research design

Baglione, L. A. (2015). *Writing a research paper in political science: A practical guide to inquiry, structure, and methods*. Chapter 7: Making Your Plan and Protecting Yourself from Criticism: The Research Design, pp. 121–154.

d) Methods II: Finding and importing data from external sources

Comparative Welfare Entitlements Dataset `http://www.cwed2.org`

European Central Bank `https://www.ecb.europa.eu/stats/html/index.en.html`

Eurostat `http://ec.europa.eu/eurostat/de/data/database`

International Monetary Fund `https://www.imf.org/en/Data`

OECD.Stats `http://stats.oecd.org/`

SPIN database `https://www.sofi.su.se/spin/`

World Bank `http://data.worldbank.org/`

The Macro Data Guide `http://www.nsd.uib.no/macrodataguide/`

Stata ados for data import and subsequent evaluation

Fontenay, S. (2018). SDMXUSE – Import data from statistical agencies using the SDMX standard. Install via `ssc install sdmxuse`.

Helmdag, J. (2016). PANELL – Display panel length for a given set of variables. Install via `ssc install panell`.

6th session – May 16th

Explanatory approach IV – Institutionalism

Description: In the sixth session, we will focus on a fourth explanatory approach that concentrates on the influence of political institutions on welfare state reform. Since the influence of institutions is oftentimes of conditional nature, we will also have to apply our knowledge from previously discussed explanatory approaches to fully comprehend the influence of institutions. The methods section focuses on creating publication-style formatted tables for descriptive statistics.

a) Basic text

Immergut, E. M. (2012). Political Institutions. In: Castles, F. G., Leibfried, S., Lewis, J., Obinger, H., and Pierson, C. (eds.). *The Oxford Handbook of the Welfare State.* Oxford: Oxford University Press. Part IV, Chapter 15, pp. 227–240.

b) Empirical applications:

Horn, A. and Jensen, C. (2017). When and why politicians do not keep their welfare promises. *European Journal of Political Research*, 56(2):381–400. doi:10.1111/1475-6765.12173

Jensen, C., and Mortensen, P. B. (2014). Government Responses to Fiscal Austerity: The Effect of Institutional Fragmentation and Partisanship. *Comparative Political Studies 47*(2) pp. 143–170. doi:10.1177/0010414013488536

c) Methods: Presenting data with tables

Miller, J. E. (2013). *The Chicago guide to writing about multivariate analysis.* University of Chicago Press. Part II. Tools, Chapter 6, Creating Effective Tables, pp. 81–119.

Watson, I. (2016). TABOUT – Publication quality tables in Stata. Install via `ssc install tabout`.

7th session – May 23rd

Explanatory approach V – Internationalization

Description: In the seventh session, we will discuss the fifth and last explanatory approach for social policy reform. In particular, we will look at how globalization increasingly influences policy makers in their decisions on how to reform social policies in recent decades. In the methods section, we will explore how to graphically present (time-series) cross-sectional data with Stata.

a) Basic text

Swank, D. (2012). Globalization. In: Castles, F. G., Leibfried, S., Lewis, J., Obinger, H., and Pierson, C. (eds.). *The Oxford Handbook of the Welfare State.* Oxford: Oxford University Press. Part IV, Chapter 22, pp. 318–330.

b) Empirical applications

Brady, D., Beckfield, J., and Seeleib-Kaiser, M. (2005). Economic Globalization and the Welfare State in Affluent Democracies, 1975–2001. *American Sociological Review 70*(6), pp. 921–948. doi:10.1177/000312240507000603

Jahn, D. (2006). Globalization as 'Galton's problem': The missing link in the analysis of diffusion patterns in welfare state development. *International Organization*, 60(2):401–431. doi:10.1017/S0020818306060127

c) Methods: Presenting data with graphs

Miller, J. E. (2013). *The Chicago guide to writing about multivariate analysis.* University of Chicago Press. Part II. Tools, Chapter 6, Creating Effective Charts, pp. 120–166.

Visual overview for creating graphs with Stata. Stata Corporation. `http://www.stata.com/support/faqs/graphics/gph/stata-graphs/`

8th session – June 6th

Welfare state development in selected countries

Description: In the eighth session, each of the participants will present the development of the welfare state within a particular country in recent decades. We will discuss why we can observe positive or negative developments in the trajectory of an indicator and which explanatory approaches can be most likely attributed to that phenomenon.

Requirements for presentations

- 10 minute presentation on welfare state development in a selected country
- Use CWED or SPIN data for showing developments in *output* (i.e. generosity scores, replacement rates, de-commodification scores) **and** data from Eurostat or OECD for changes in *outcomes* (e.g. aggregated and disaggregated social expenditures)
- Your presentation should contain at least two descriptive tables (outputs and outcomes) and multiple graphs with the selected country being highlighted
- Describe why a certain development can be observed and what explanatory approach could be the most probable explanation

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9th session – June 20th

Research question and design

Description: In this session you have to present a rough draft version of your term paper. Therefore, you should have a broad idea on which aspect of an explanatory approach you want to investigate in your term paper.

Requirements for presentations

- 10 minute presentation on term paper draft
- As a guide line, use the check list for term papers and theses
- Apply an explanatory approach in an x-centered research design

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10th session – June 27th

Stata session

Description: This is a dedicated Stata session that mainly concentrates on formulating and interpreting multiple regression models in Stata. The goal is to understand how to generate regression models that explain welfare state change in a (time-series) cross-sectional design that incorporate an explanatory approach and multiple controls. In the second part of the session, we will concentrate on how to create publication-style formatted regression tables that can be used as templates for your term papers.

a) Methods I: Multiple regression models

Miller, J. E. (2013). *The Chicago guide to writing about multivariate analysis*. University of Chicago Press. Part II. Tools, Chapter 8, Quantitative Comparisons for Multivariate Models, pp. 207–229.

Regression analysis – Stata Annotated Output. UCLA: Statistical Consulting Group. `https://stats.idre.ucla.edu/stata/output/regression-analysis/`

b) Methods II: Formatting regression tables in Stata

Jann, B. (2007). ESTOUT – Making Regression Tables in Stata. Introductory Examples for esttab. Text available at: `http://repec.org/bocode/e/estout/esttab.html`. Install via `ssc install estout`.

11th session – July 4th

Replication session

Description: In the eleventh session, we will replicate a popular study by Allan and Scruggs (2004) on the influence of partisanship on replacement rates of unemployment and sickness insurance policies. In the methods section we will concentrate on regression diagnostics and robustness tests that can be conducted after an analysis.

a) Replication of an empirical study

Allan, J. P, and Scruggs, L. (2004). Political partisanship and welfare state reform in advanced industrial societies. *American Journal of Political Science 48*(3), pp. 496–512. doi:10.1111/j.0092-5853.2004.00083.x

Note: Replication material can be found on Moodle.

b) Methods: Diagnostics and post-estimation

Meuleman, B., Loosveldt, G., and Emonds, V. (2015). Regression analysis: Assumptions and diagnostics. *The SAGE Handbook of Regression Analysis and Causal Inference.* 1st edition, Sage. Part II, Chapter 5, pp. 83–110.

12th session – July 11th

Final session – Concluding discussion, term papers, and open questions

Description: The twelfth and final session serves for discussion of your preliminary empirical results and their tabular as well as graphical representation. Therefore, you have to append the results to your previous presentation and briefly discuss the main findings. The subsequent discussion should help you in finalizing your term paper.

Presentations on data and empirical results

- Extend your presentation on the research question and design with preliminary empirical results
- Explain how and why your previously formulated hypotheses can be accepted or rejected
- Describe direction and magnitude of impact of your independent variable(s) and controls