

## Continuity and change in social policy

Beland, Daniel; Powell, Martin

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# Continuity and Change in Social Policy

## Introduction

Social policy writers often employ ‘thin’ concepts of continuity and change. At the risk of some over-simplification, welfare states are either ‘resilient’ or ‘retrenched’, or there is ‘path dependency’ or ‘transformational’ or ‘paradigmatic’ change. Yet, there is often little in-depth discussion about the degree of continuity and change; the actual type of change taking place; or the reasons for either continuity or change. In this introductory essay, we focus on these three issues of the ‘how much, what type and why of change’. Because continuity and change are two sides of the same coin, our discussion about change necessarily leads to remarks about continuity, something that scholars like Paul Pierson (2004) have long advocated.

First, Martin Seeleib-Kaiser (2008) points out that, for any analysis of change, we need a systematic conceptualisation of what constitutes change: first, a time frame, and, second, tools or categories to be able to judge whether policy developments constitute a significant change. Put another way, we have to address the ‘dependent variable problem’ (Clasen and Siegel 2007; Green-Pedersen 2004). Second, we need to differentiate between the absence of meaningful change (resilience), incremental change, punctuated equilibrium, and radical, ‘path-changing’ or ‘path-departing’ change. Third, Daniel Béland (2010; see also Béland and Waddan, 2012) points out that it is not always clear whether concepts like conversion, layering, and policy drift *explain* policy change. Rather, they often *describe* concrete episodes of incremental yet transformative change, without really explaining them. In this context, much work is still needed to explain why and when different patterns of social policy change occur or fail to materialize. Finally, in addition of being overly descriptive and under-theorised, much of the scholarship on social policy continuity and change focuses on one policy area, one country, one continent (mainly Europe), or one welfare regime at the time. In short, as far as policy continuity and change are concerned, there are some significant gaps in the existing comparative social policy literature.

This special issue should help bring about a more subtle understanding of continuity and change in social policy research. It brings together contributions from leading researchers who address a broadly similar range of issues and draw on a broadly similar stock of concepts and analytical tools. In short, these contributions address questions about the what, how much and why of change in a broadly common language that enables some comparison across accounts between different sectors and countries. Key questions raised in the articles comprising this special issue include:

- How do we assess the extent of change in different countries or policy areas?
- What types of changes are involved?
- How can these changes be explained?
- What lessons can be drawn for future research on social policy continuity and change?

In this introductory essay, we offer a critical review of the literature on social policy continuity and change centred on the following issues: degree of continuity and change, type of change, and explanation for continuity and change. The essay concludes with a brief overview of the substantive articles comprising this special issue.

## **Degree of continuity and change**

Policy continuity and change is of central importance to the study of public policy. Although there are many ways of measuring policy change in the literature, so far, no dominant and generally accepted approach has emerged. As a consequence, the theoretical and empirical findings of varying studies are not commensurable, as the 'dependent variable' is conceptualized and measured very differently (Knill and Tosun, 2012: 251). Kühner (2007: 6) writes that the controversy about the reality of 'welfare change' has been one of the most pressing debates in contemporary welfare state research. Without some agreement on concepts and measures it is difficult to differentiate between welfare state resilience or retrenchment, path-dependence or path change, or continuity or change. It is difficult to have a debate over these analytical issues without a clearly defined 'dependent variable' (Clasen and Siegel 2007). Green-Pedersen (2004) writes that the debate about explanations of variation in welfare state persistence or change cannot move beyond the stage of hypotheses before the 'dependent variable problem' has been addressed. Waddan (2011) points to the problematic conceptual issues of what counts as 'significant change' or 'path-departing change', and over what period. However, there appears to be little agreement on the dependent variable, or on how large do changes have to be before they are viewed as 'significant'.

The problem of the dependent variable in the analysis of policy change is relevant for the analysis of both welfare state development (Esping-Andersen 1990; Green-Pedersen 2004) and retrenchment (Pierson; 1994, 1996). Regarding welfare state development, for many years, the traditional dependent variable used in the literature was aggregate expenditure or 'welfare effort' (Wilensky and Lebeaux 1958; Wilensky 1975). This can be seen as an input measure reflecting the budget decisions of political elites. However, this was challenged by Esping-Andersen (1990: 21), who argued that 'it is difficult to imagine anyone struggled for spending per se', and championed social-rights indicators such as de-commodification (Kühner 2007). Yet, it has more recently been claimed that there has been an 'overly pessimistic view of the merits of social spending as a proxy for welfare effort' which is 'less bad than its reputation' (Jensen 2011), and that disaggregated expenditure represents defensible measures (eg Bannink and Hoogenboom, 2007; Castles 2009; Kühner 2007).

Beyond welfare state development, retrenchment is a key issue in the recent literature on social policy continuity and change. Pierson (1994) bases his definition of retrenchment on Titmuss' (1974) distinction between institutional and residual welfare states. Retrenchment should be seen as a process of shifting social provision in a more residualist direction, rather than just as a matter of budget cuts (Pierson, 1994: 15). Similarly, Pierson (1996: 157) writes that rather than emphasising cuts in spending per se, his analysis focuses on reforms that indicate structural shifts in the welfare state. Pierson (1994; 1996) stresses retrenchment as qualitative changes, that is, a break with basic institutional principles (see Green-Pedersen 2004), while Bonoli and Palier (2000) point to 'key institutional variables' such mode of access; benefit structure; financing mechanisms; and actors who manage the system. However, Clayton and Pontusson (1998) argued that Pierson (1994, 1996) ignored outcome measures such as rising social inequality and insecurity, a critique that anticipated the one formulated by Jacob Hacker (2004) in a seminal article about policy drift discussed below.

Pierson (1994) notes that 'retrenchment is one of those cases in which identifying what is to be explained is almost as difficult as formulating persuasive explanations for it.' Hacker (2004) suggests that a chief reason for the influence of Pierson's (1994) 'pathbreaking' book is its precision about the dependent variable. However, Seeleib-Kaiser (2008) points out that the retrenchment literature is peppered with references to 'significant' changes without any indication of what constitutes 'significance'. In other words, while debates clearly differentiate concepts, there is little consensus on the dependent variable: while there is some agreement on what the dependent variable is not, there is less agreement on what it is.

### **Type of change**

Despite the lack of consensus on the dependent variable, there has been a broad spectrum of studies that, at the risk of some over-simplification, range from no significant change to paradigmatic change. Key types of changes are discussed in the following section.

### ***Institutional Continuity and Path Dependency***

As suggested above, recent comparative welfare state research has revolved around two core issues: welfare regimes and retrenchment (Hinrichs and Kangas, 2003). As Hinrichs and Kangas point out (1993: 574), the 'welfare modelling business' (Esping-Andersen 1990) and the 'retrenchment business' (Pierson 1994) have been dominated by institutionalist scholars such as Esping-Andersen (1990) and Pierson (1994, 1996, 2000). Bannink and Hoogenboom, (2007) argue that institutionalist researchers like Esping-Andersen (1990) claim that welfare state regimes are inherently stable precisely because they are 'regimes', a situation that reinforces the logic they are based on. As for Zehavi (2012), he claims that Pierson (1994; 1996) is perhaps the most central proponent of the historical institutionalist perspective in social policy research.

Zehavi (2012) also states that historical institutionalism and the related concept of path dependency connote stability that is brought about by endogenous factors that reinforce the status quo, and make it difficult to initiate major reform, with path-dependent systems having a clear status-quo bias. However, Wilsford (2010) argues that the closely related model of path dependency is more dynamic than strict historical institutionalism would claim, as by its very terminology path dependency points to the unfolding over time of the given path. Path dependency is nicely summed up in Wilsford's (1994) phrase as 'why history makes it difficult but not impossible to reform health care systems in a big way.'

Some studies tend to use path dependency as a thin, descriptive metaphor for 'history matters' For example, Bevan and Robinson (2005) explore path dependency without any discussion of lock-in effects or increasing returns, to use Pierson (1994; 1996) language. Bannink and Hoogenboom, (2007) denounce the fact that much of the welfare state literature has been dominated for the past decade or so by 'institutionalists' and 'neo-institutionalists' who see welfare states as inherently immobile and doomed to 'path dependency'. Similarly, Van Kersbergen and Hemerijck (2012) write that more recent studies have challenged the idea that the welfare state, particularly the continental, Bismarckian welfare state, is a massive and expensive construction that is impossible to modify has been abandoned (cf Palier and Martin 2007). Such studies document that the static representation of a 'frozen'

welfare state landscape have underscored the extent of change, and have greatly exaggerated the extent to which institutional sclerosis and welfare state resilience characterised the various worlds of welfare. Similarly, according to Fenger et al (2014), an emerging stream of literature that analyses processes of incremental institutional change has recently supplemented the existing literature that accentuates the stability and continuity in highly institutionalized policy systems. Béland (2010: 619) states that HI has for too long paid relatively limited theoretical attention to policy change, but in recent years it has explicitly dealt with how policies change over time.

### ***Incremental change***

Some writers such as Feder-Bubis and Chinitz (2010) link path dependency with Lindblom's (1959) notion of incremental change. In fact, Howlett and Cashmore (2009) state that the 'old' orthodoxy in studies of policy change was dominated by Lindblom-inspired incrementalism, which argued that a single type of policy dynamics – marginal increments from the status quo – characterized almost all instances of public policy change. This approach has been especially popular in the United States, where the fragmentation of political power and the related influence of interest groups make path-departing change particularly difficult, in social policy reform and beyond (Pierson, 1994). It is in the context that authors like Steinmo and Watts (1995) have argued that path-departing change in health care reform is impossible in the United States, due to the power of vested interest within the fragmented and balkanized U.S. institutional system. Even if one rejects this overly deterministic institutionalist argument, many U.S. social policy scholars have emphasized the central role of incrementalism in the United States. This is the case of scholarship about public pensions, within which major books about the political history of federal Social Security since the New Deal have explicitly emphasized the role of incrementalism in the United States (Derthick, 1979; Tynes, 1996). Although incrementalism remains a relevant concept for contemporary social policy analysis, pure and simple, Lindblom-style-incrementalism is less central to the recent literature on policy continuity and change than the concepts reviewed in the remaining of this section.

### ***Ideational Analysis***

A growing body of literature stresses the role of discourse and ideas in policy change, which focuses on how the beliefs of political actors shape their decisions and the reforms they enact (e.g. Béland and Cox 2011; Campbell, 2004; Daigneault, 2014; Padamsee, 2009; Parsons, 2007; Schmidt, 2011). For instance, existing ideas impact the perception of the socio-economic problems these actors seek to address while helping them to sell their preferred policy solutions to various stakeholders (Mehta, 2011). As Daigneault (2014) writes, despite the clear contribution of this literature to the analysis of policy change, ideational analysis is tricky because it relies on intangibles that are difficult to define and measure. In some of the existing scholarship, Daigneault (2014) claims, the 'dependent variable' does not always appear to be fully clear and ideas can be dimensions, causes, consequences or correlates of change, depending of the context. Yet, as both Daigneault (2014) and Parsons (2007) demonstrate, it is perfectly possible to formulate rigorous, systematic ideational explanations. In order to do so, scholars need to clearly define what they mean by ideas and discuss the concrete mechanisms through which they can shape

policy change. One of the ways in which this type of rigorous ideational analysis is possible is through process tracing, an approach that allows scholars to clearly identify how particular ideas directly influence specific policy outcomes (Jacobs, 2014).

As Campbell (2004) claims, an important thing for scholars interested in the role of ideas is to show that they are not mere epiphenomena and that they can shape policy outcomes on their own. Once this is done, scholars can also stress how ideas as an explanatory factor may interact with other factors to affect policy decisions (Padamsee, 2009; Parsons, 2011). For example, it is common in the ideational literature to stress how ideas interact with institutions to produce change (e.g. Béland and Waddan, 2012; Campbell, 2004; Schmidt, 2011). In this case, analytical rigor is necessary to explain how particular ideas interact with concrete institutional configurations, over time. This approach may lead scholars to break down ‘ideas’ and ‘institutions’ into sub-categories such as ‘frames’ and ‘policy legacies’, before exploring how these clearly-defined elements interact to produce policy change (Béland and Waddan, 2015).

### ***Punctuated Equilibrium***

Howlett and Cashmore (2009) argue that recent years have seen the emergence of a new ‘post- incremental’ orthodoxy as policy scholars have come to generally accept the idea, borrowed from paleo-biology, that periods of marginal adaptation and revolutionary transformation are typically linked in a ‘‘punctuated equilibrium’’ pattern of policy change. Moreover, they state that punctuated equilibrium is a variant of what cybernetic theorists refer to as a ‘homeostatic’ one; that is, one in which positive and negative feedback mechanisms allow a new equilibrium to be reached after stable system parameters have been altered by outside forces. This change process involves a system which, like a spinning top, is constantly undergoing some kinds of (incremental) changes as it spins, but remains in one place (equilibrium) until an outside force (a foot, for example, in the case of the spinning top analogy) moves it to a new location where, after this ‘‘punctuation’’, a new equilibrium is established.

According to John and Bevan (2012), punctuations are now recognized as a defining feature of the policy agenda. In the agenda-setting literature, the ‘punctuated equilibrium’ model developed by Baumgartner and Jones (1993) suggests that long episodes of inertia follow rare exogenous shocks or ‘‘critical junctures’’ that provoke path-departing change. Instead of the small steps envisaged in the incrementalist model of decision making (Lindblom, 1959; Wildavsky, 1964, 1975), policy change often occurs in a discontinuous pattern, characterized by a large sudden shift in attention that departs from a long period of stability (John and Bevan 2012). While most approaches focus on either stability or change, punctuated equilibrium theory aims to focus on both (Sabatier and Weible 2014).

There have been many studies of punctuated equilibrium in public policy, with over 300 from 1991-2014 (Sabatier and Weible 2014), but relatively few on social policy. However, Jensen (2009) tests punctuated equilibrium theory on policy data from 18 Western countries, 1971–2002. He argues that punctuated equilibrium theory provides a corrective to new institutionalism. However, it is far from clear that the punctuations that are coded as ‘high salience’ from a macro level, quantitative perspective are viewed as such from a micro perspective. For example, there are probably few UK

health policy analysts who would agree with John and Bevan (2012) that the ‘series of health service reforms in 2005’ can be seen as a significant tipping point.

### *Paradigm or path change*

The most radical form of policy change has been variously termed ‘paradigm shift’ or ‘paradigmatic change’ (Hall 1993), ‘transformative change’ (Palier 2005), ‘path-breaking change’ (Ross, 2008), ‘system shift’ (Hinrichs and Kangas 2003), ‘regime change’ (Waddan 2011) or ‘nonincremental change’ Wilsford (2010). Howlett and Cashmore (2009) state that paradigmatic change (and by extension radical policy change in general) has been treated as an abnormal, atypical, relatively unstable, and usually short-lived process associated with changes in policy ends

Much of this work draws on Peter Hall’s seminal conceptualisation of first, second, and third order policy change. This account views policymaking as a process that usually involves three central variables: the overarching goals that guide policy in a particular field, the techniques or policy instruments used to attain those goals, and the precise settings of those instruments. Hall (1993) regards change in settings as first order change; changes in instruments and settings as second order change; and changes in all three components (instrument settings, the instruments themselves and the goals) as third order change.

Howlett and Cashmore (2009) write that Hall’s (1993) is undoubtedly the clearest single statement of the current orthodox position on policy dynamics and is the model and classification of policy change most often cited in the literature and applied in empirical studies. According to them, Hall’s work served to break a long-term ‘old’ orthodoxy in studies of policy change dominated by Lindblom-inspired incrementalism. A number of authors have drawn on Hall’s (1993) notion of transformative change such as Millar et al (2011) on health care and Weaver (2012) on pensions.

Howlett and Cashmore (2009) also point out that a clear definition of what constitutes “incremental change” and “paradigmatic change”, is required, but neither a clear definition nor an exhaustive taxonomy of change types currently exists, resulting in both incremental and paradigmatic change remaining under-specified. Hall’s work has clear limitations when the time comes to analyse policy change, in part because the concept of “paradigm shift” associated with third order change is hard to assess empirically (Daigneault, 2013).

Howlett and Cashmore (2009) argue that Hall’s work challenged the dominant view in existing scholarship that tended to conflate all the elements of a “policy” into a single dependent variable and to argue that all change was incremental in nature. However, they state that the operationalization and measurement of the dependent variable in studies of policy dynamics – “policy change” – based mainly on Hall’s “three order” model, has led many scholars to inadvertently conflate several distinct change processes present in specific elements of policy. Uncovering these “hidden” and more complex patterns of policy development challenges the rather blunt binary “paradigmatic” or “incremental” characterizations that permeate much of the literature. Howlett and Cashmore (2009) add dimensions of mode and tempo of change to arrive at four types: classic paradigmatic (one large step); rapid incremental (many small but fast steps); gradual paradigmatic (one large but slow moving step); and classic incremental (many small and slow moving steps).

### *Cumulative change*

Perhaps the major focus in the social policy literature focuses on ‘gradual institutional change’ or ‘cumulative, but transformative’ change where seemingly small adjustments can cumulate into significant institutional transformation (Thelen (2003, 2004; Streeck and Thelen 2005; Mahoney and Thelen 2009) (see eg Palier and Martin 2007; Jensen 2009), and draws on mechanisms of change such as drift, conversion and layering (Hacker 2004; Mahoney and Thelen 2009). A number of writers have used varying terminology to argue that small incremental changes that build on top of one another can add up to significant change (Lindblom 1959; Waddan 2011). Hinrichs and Kangas (2003) point out that over time incremental processes— that consist of series of smaller “not-system-shifting changes”— may gradually change central features of a welfare state.

According to Hacker (2004), there is not one single pattern of institutional change, whether it is the ‘big bangs’ of sudden transformation or the ‘silent revolutions’ of incremental adjustment. Rather, institutional change takes multiple forms, and strategies for institutional change systematically differ according to the character of institutions and the political settings in which they are situated. He draws on the existing literature on policy change to develop the following matrix:

	Barriers to Internal Policy Conversion		
Barriers to authoritative policy change		High (Low levels of policy discretion; strong policy support coalitions)	Low (High levels of discretion; weak policy coalitions)
	High (Many veto players)	Drift Transformation of stable policy due to changing circumstances (eg erosion of scope of protection of existing public social programmes and private benefits)	Conversion Internal adaptation of existing policy (eg employers’ restructuring of publicly subsidised voluntary workplace benefits)
	Low (Few veto players)	Layering Creation of new policy without elimination of old (eg creation and expansion of tax subsidies for private retirement accounts)	Revision Formal reform, replacement or elimination of existing policy (eg 1996 welfare reform)

Hacker (2004) sets out a 2x2 typology based on the dimensions of barriers to internal policy conversion and barriers to authoritative policy change. When a policy is both

easily convertible and situated in a change-conducive political- institutional setting, it is highly vulnerable to formal revision, whether through reform, replacement, or elimination. He states that this is the type of change with which virtually all institutional and choice-theoretic models of policy formation are concerned, but contends that it is not the normal state of affairs in welfare state politics, and that the most illuminating possibilities for the study of retrenchment lie in the other three quadrants. Hacker (2004) then focuses on ‘everyday forms of retrenchment’: drift, conversion and layering. Drift is defined as changes in the operation or effect of policies that occur without significant changes in those policies’ structure. It is most likely when a policy poses high hurdles to internal conversion (meaning it is hard to shift it to new ends) and when the status-quo bias of the external political context is also high (meaning it is hard to eliminate or supplant existing policies). The major cause of drift in the social welfare field is a shift in the social context of policies, such as the rise of new or newly intensified social risks with which existing programs are poorly equipped to grapple. The hallmark of change of this sort is that it occurs largely outside the immediate control of policymakers, thus appearing natural or inadvertent.

Hacker (2004) draws on Thelen (2003) to define conversion as when ‘existing institutions are redirected to new purposes, driving changes in the role they perform and/or the functions they serve’, adding that adaptation of policies through conversion reflects the reality that most institutions or policies allow actors working within their constraints to pursue multiple ends. As he points out, some policies, for example, have clear and consistent goals; others do not.

Finally, Hacker (2004) argues that when existing policies resist conversion but the political-institutional context permits the creation of new policies, the dominant pattern of change is likely to be ‘layering’, in which proponents of change work around institutions that have fostered vested interests and long-term expectations ‘by adding new institutions rather than dismantling the old’ (Schickler 2001, 13). When the political-institutional context poses formidable barriers to authoritative reform but a policy is highly mutable, by contrast, the dominant pattern is instead likely to be ‘conversion’ (Thelen 2003), in which policies are adapted over time rather than replaced or eliminated.

Hacker claims that each of these forms of retrenchment was on display in the United States in the 1980s and 1990s, although ‘drift was the most pervasive dynamic’. Efforts to update policies to changing social risks have failed (drift), their ground-level operation has shifted in directions at odds with their initial goals (conversion), and new policies that subvert or threaten them have been put in place (layering). The result has been a significant erosion of U.S. social protection, despite the absence of many dramatic instances of policy reform. Hacker’s concept of policy drift (2004) is perhaps the least recognized and often the most important process.

Alongside Hacker (2004), Thelen (2003, 2004), Streeck and Thelen (2005) and Mahoney and Thelen (2009) outline a systematic theory of policy change, which incorporates a major critique of the punctuated equilibrium model. Streeck and Thelen (2005) identify five types of gradual institutional change might be identified: displacement, layering, drift, conversion and exhaustion. Displacement occurs when existing rules are replaced by new ones. Layering is a form of institutional change in

which new rules are attached to existing ones, thereby altering the ways in which the original institutional rules structure behaviour. Layering, therefore, involves amendments, revisions or additions to existing rules. Drift refers to situations in which rules remain formally the same but their impact changes as a result of shifts in external conditions. Conversion occurs when rules remain formally the same but are applied in new ways. Exhaustion concerns the gradual breakdown or withering away of institutions over time.

This is developed by Mahoney and Thelen (2009) into a theory of gradual institutional change. They note the ‘common problem of a focus on stability and exogenous shocks’ (p. 5). They present a model of four modal types of institutional change, which omits exhaustion (Streeck and Thelen 2005), leaving: displacement, layering, drift and conversion, which is somewhat different to Hacker (2004) in the labelling of the dimensions and the definitions of the modes. Moreover, van der Heijden (2010, 2011) notes some differences in Thelen’s definitions of terms over time. The four modes are: displacement (the removal of existing rules and the introduction of new ones); layering (the introduction of new rules on top of or alongside existing ones); drift (the changed impact of existing rules due to shifts in the environment; and conversion (the changed enactment of existing rules due to their strategic redeployment). Their model includes political context, institutional characteristics and change agents (p. 28). The classification of change agents is developed from two questions: does the actor seek to preserve the existing institutional rules, and abide by the institutional rules: Insurrectionaries (do not preserve or follow); symbionts (preserve but do not follow); subversives (do not preserve, but follow); and opportunists (have ambiguous preferences and exploit whatever possibilities exist).

	Characteristics of the targeted institution		
Characteristics of the political context		Low discretion in interpretation/enforcement	High discretion in interpretation/enforcement
	Strong veto possibilities	Layering (subversives)	Drift (parasitic symbionts)
	Weak veto possibilities	Displacement (insurrectionaries)	Conversion (opportunists)

Jensen (2009) argues it is fair to say that ‘cumulative, but transformative’ change (Streeck and Thelen (2005) now constitutes the mainstream of welfare state research. However, while terms such as drift, layering, displacement and conversion are used (e.g. Béland 2007; Clegg 2007; Giddiner 2007), some writers draw on Thelen (eg Fenger et al 2014), while others draw on Hacker (eg Yerkes and van der Veen 2011).

### **Explanation for continuity and change**

Béland (2010: 616) states that explaining policy change is one of the most central tasks of contemporary policy and social science analysis. Simultaneously, as suggested in this introductory essay, explanations of policy change should also

account for continuity, which remains ever present even in rapidly changing contexts (Pierson, 2004).

Focusing primarily on continuity, for instance, Pierson (1994, 1996) points to policy feedback, where large social programmes create “lock-in effects” that favour the reproduction of current institutional logics. Pierson (2000) stresses the role of increasing returns and network externalities. In short, social policy development is a path-dependent process that only “external shocks” are likely to shift toward a new institutional direction (Pierson 2000; Levy 2010). In a recent article, Weaver (2010) criticizes this stability-bias in policy feedback studies. As he suggests, institutional effects from existing policies do not always take the form of self-reinforcing mechanisms (Weaver 2010). In his study of “negative policy feedback” leading policies to collapse rather than to reproduce over time, he examines patterns of pension regime change since 1950 for fourteen advanced industrial countries. He concludes that pension regime change is fairly common, with nine of fourteen countries in the sample having at least one regime change, while Canada, Sweden, Denmark and New Zealand have had more than one (Weaver, 2010).

Pierson (2004) also explores slow-moving causal processes such as cumulative causes, threshold effects and causal chains that do not evoke the punctuated equilibrium model of change that is frequently embedded in path dependency (Mahoney and Thelen 2009). Pierson (2004) argues potential obstacles to change or “reproduction mechanisms” are necessary to explain both stability and change. He analyses four: coordination problems (actors need stable institutional rules of the game to compete and cooperate), veto points (institutional arrangements give specific actors the power to prevent change), asset specificity (actors develop assets like knowledge and expectations tied to specific institutional arrangements), and positive feedback (moves in particular institutional directions are self-reinforcing and make change more costly). Béland (2010) concludes that Pierson’s (2004) analysis of institutional and policy change is rather limited in scope, and his heavy reliance on the rational choice literature can make some claims sound overly deterministic. Although Pierson states that endogenous, path-departing policy change is possible, he focuses on self-reinforcing mechanisms rather than change (Béland, 2010).

The main explanations can be divided into exogenous and endogenous change. Regarding exogenous causes of change, Howlett and Cashmore (2009) point out that path dependency accounts tend to argue that paradigmatic policy change requires institutional destabilization through some kind of exogenous shock. Wilsford (2010) writes that this can be rare, with the occurrence of an exceptional conjuncture that permits non-incremental change, which is the policy equivalents of the so-called ‘perfect storms’ found in meteorological science. Similarly, Zehavi (2012) claims that dramatic change is viewed as a very rare event that is likely to result from an exogenous shock, which creates a relatively short ‘critical juncture’ in which dramatic reform could happen (e.g., how regime change in Eastern European countries enabled dramatic welfare state reforms).

Howlett and Cashmore (2009) state that Hall (1993) linked each change process to a different specific cause agent and to a specific overall pattern of ‘punctuated equilibrium’ policy dynamics. In Hall’s view, first and second order changes were typically incremental and usually the result of activities endogenous to a policy

subsystem while third order changes were ‘paradigmatic’ and occurred as anomalies arose between expected and actual results of policy implementation. The events triggering anomalies and the response to them on the part of policy makers (such as contestation within a policy community on the best course of action to pursue, or the development of new ideas about policy problems and/or solutions) were linked to exogenous events, especially societal policy learning.

According to Thelen and her collaborators, endogenous institutional change tends to take place gradually, over time (see eg Mahoney and Thelen, 2010; Streeck and Thelen, 2005; Thelen, 2004). Endogenous processes of gradual change alter institutions in subtle but significant ways, through self-reflexive actors that ‘gradually adjust their institutions in ways that are constrained by already-given institutional practices, rules, routines, and cognitive schema’ (Campbell, 2004: 34).

Assessing the historical institutionalist literature on policy change in health care, Béland (2010) discusses “veto points” and “policy feedback.” Within this institutionalist literature, Immergut (1992) argues that Swiss doctors have greater opportunities to veto health care policies. Immergut (2010) writes that the impact of veto points has varied over time and across policy areas, indicating the importance of historical contingency and other more complex patterns of contextual causality (Tuohy 1999). Levy (2010: 563) argues that retrenchment occurs in countries with few veto points (Starke 2008).

Mahoney and Thelen (2009) focus on ‘change agents’ as endogenous causes of incremental yet transformative policy change. However, Fenger et al (2014) claim that their introduced framework for explaining institutional change can hardly be considered theory when assessed on its power to predict the extent to which gradual institutional change might occur under certain circumstances. According to Béland and Waddan (2012), Mahoney and Thelen (2010) also fail to directly take into account the role of ideas in policy change, arguing that ideas are instrumental in shaping the perceptions and preferences of change agents that bring about forms of social policy change such as conversion and layering. Their work points to the growing body of scholarship on the role of ideas in policy change discussed above (e.g. and Cox 2011; Campbell 2004; Daigneault, 2013; Mehta, 2011; Parsons, 2007).

Linking exogenous and endogenous institutional change is regarded by several authors as the next challenge for institutional theory (e.g., Campbell 2004). While most models focus on either stability or change, punctuated equilibrium theory aims to explain both (Sabatier and Weible 2014). Zehavi (2012) claims that while punctuated equilibrium overlaps with historical institutionalism because it predicts long periods of policy stability—if not stagnation—and then a sudden lurch to a new policy equilibrium point: a dramatic change that is equated with the function of critical junctures in path dependency, punctuated equilibrium does not rely on exogenous shock for an explanation of policy breaks and transformations, but is provoked by the accumulated “errors” of institutional policy arrangements. According to Howlett et al (2009: 207), punctuated equilibrium links normal and atypical policy change. Yet, as the work of Thelen (2004) suggests, punctuated equilibrium does not account for most episodes of policy change so the discussion about how to combine exogenous and endogenous explanations of social policy change must transcend punctuated equilibrium, which only applies to certain forms of policy change. This

remark points back to our claim that defining policy change is an essential task to both understand and explain policy change in contemporary welfare states.

### **The Contributions**

The first article of this special issue concerns the area of pension reform, which has long been central to the current debate on social policy stability and change (Myles and Pierson, 2001). Drawing on the literature on social policy change, in his piece, Weaver focuses on a crucial yet understudied policy development: the advent of automatic stabilizing mechanisms (ASMs), which cut pension benefits under unfavourable economic and demographic conditions, without the need for politicians to do anything. As his analysis of the politics of ASMs in Canada, Sweden and Germany suggests, the sustainability of these systems is uneven at best. This means that trying to put social programs on autopilot and guarantee their long-term institutional stability by making parametric changes automatic when necessary does not always work, simply because politicians remain under pressure to intervene when unpopular adjustments like benefit, even when these are triggered by ASMs.

From pensions, the second contribution moves to the area of family policy, an area that has witnessed major policy change in recent decades, as changing demographics, economic realities, and gender roles have favoured the emergence of new programs dealing with the issue of how to balance work and family life. In their contribution, Mahon, Bergqvist and Brennan focus on childcare arrangements and maternity/parental leave programs in Australia, Canada, and Sweden. This article discusses how scholars can identify the significance of social policy changes with regard to these issues. Simultaneously, it stresses the interaction among actors, ideas institutions to explain the policy developments that have recently taken place in the three countries under investigation.

In the third contribution of this special issue, Powell critically reviews studies of the British National Health Service (NHS) focusing on the what, how much and why of change. He argues that many of these studies tend to be overly descriptive and under-theorised, and do not fully address issues of theories and concepts, measures, and explanations; or the what, how much and why of change. He concludes that we still have big gaps in our knowledge of reforming a health care system in a big way, and we urgently need to fatten up our ‘thin’ concepts of continuity and change.

In their article on social policy change in the United States, Béland, Rocco and Waddan reassess the concept of policy drift by returning to the areas of health care and pensions that Hacker (2004) explored when he formulated this innovative concept more than a decade ago. Their analysis suggests that the 2010 Affordable Care Act has the potential to reduce some of the drift taking place in the health care field but that much of the possible policy outcomes are related to the effectiveness of implementation processes, which Hacker (2004) neglects in his seminal article. Their contribution also points to the importance of the time frame used by researchers in the analysis of incremental yet transformative policy change (Campbell, 2004).

In his contribution on the decline of the so-called conservative German welfare state model,” Seeleib-Kaiser draws on the work of Hall (1993) as well as the concepts of drift and layering (Mahoney and Thelen 2010) to assess and analyse path-departing

social policy change in Germany since the 1990s. As the title of his article suggests, Seeleib-Kaiser claims that, as a consequence of incremental yet cumulative changes taken place over time, Germany has moved beyond the conservative logic of welfare that had characterized its social policy system for decades (Esping-Andersen, 1990).

In his piece, Inglot compares and contrasts the politics of policy change in two core areas of the Polish welfare state: old-age pensions and family policies. Engaging with the literature on critical junctures and institutional change, Inglot points to a strong contrast between these two policy areas, as far as patterns of continuity and change are concerned. On one hand, in the field of pensions and contrary to what some previous studies had suggested (Orenstein, 2008), policy change has remained relatively path dependent since the 1990s. On the other hand, during the same period, family policy has witnessed transformative, path-departing change. Among other things, Inglot's analysis suggests that, within the same country, the scope of social policy change can vary greatly from one sector of the welfare state to the next, something scholars should always keep in mind.

The extensive and radical reforms introduced in Greece's pension and health systems associated with the recent and on-going economic crisis (2008-2015) are explored by Angelaki. She claims that according to the historical institutionalist approach, single-party governments facilitate the adoption of reforms. However, this feature has been weakened by the presence of inconsistent government strategies, intra-government tensions and a lack of support from opposition parties. The analysis revealed the existence of a complex picture. While retrenchment has been the dominant feature, other transformative processes have led to the erosion of the public character of both systems and their shift towards residualism. These changes have been made possible through the changes observed in the policy making process characterised by an unprecedented increase of the EU intrusiveness and the parallel decrease of the role and influence of social partners.

In her article, Peng examines immigration policy reform in Japan since the 1990s. She addresses the puzzle of why favourable conditions of low barriers to internal policy conversion and authoritative policy change (Hacker 2004) has led to slow-moving policy change rather than more rapid policy revision. Drawing on the concepts of discursive institutionalism and public sentiments in policy change, she explains that immigration policy reform has been slow because the Japanese government's coordinated discourse of a more open immigration runs counter to the pervasive public sentiment on Japanese ethnic-cultural homogeneity.

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