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Explaining Patterns of Performance in the 30 OECD-Countries: The Impact of Government Structure and Ideology

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Abstract

Do have OECD-countries distinguishable patterns of performance and do they dependent on various political decision-making structures and political ideologies? This complex research question is at the heart of political sciences. We will address this question by using a new data set on both aspects performance and political decision-making. In order to answer the above question, we focus on various aspects of policy outcomes (tax, labor market, family, pension, and immigration policy) as well as the degree of social cohesion. In addition, we investigate whether different types of the organization of governments and political ideologies lead to different policy outcomes. The data we use is based on expert assessment by approximately 100 political scientists and economists which were conducted internationally by the Bertelsmann Foundation in 2007/8. The data covers all of the 30 OECD countries which constitute the most highly advanced industrialized democracies. In conclusion, our research shows that we need a combined analysis of institutional and ideological aspects in order to explain equality and different patterns of performance in advanced, highly industrialized societies.

Keywords: patterns of performance, government structure, ideology

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1 Introduction

Measuring the performance of nations is difficult. To date, very few studies have compared the overall performance in macro-comparative studies (Bok, 1996; Roller, 2005). The reasons are manifold. The most important reasons are, firstly, that the overall measurement of performance is a highly complex concept. It is difficult to determine which aspects have to be included in an index of performance and which are to be left out. Furthermore, it is difficult to decide how to weigh the individual aspects into an aggregated index of performance (OECD, 2008). Secondly, performance is a normative concept that is highly contested in political science. For instance, labor market performance might be measured in terms of unemployment. However, even with such a simple measure in mind, no agreement regarding whether, for example, full-employment indicates the best performance. Some would contest that full-employment may lead to an economic inefficiency and that, therefore, it is not an indicator of good labor market policy.

Most established studies in the field, therefore, do not aim to give an overall assessment but instead look at individual areas. Most prominent research in this tradition is Gøsta Esping-Andersen's (1990) analysis of the three worlds of welfare capitalism and the concept of production regimes by Peter Hall and David Soskice (2001). These investigations place equality or inequality at the center of the analysis. In terms of social equality, both studies conclude that the Scandinavian states developed state structures that support social equality. However, these studies focus on specific sectors and define the different patterns of performance within this narrow realm. In this paper, we expand the perspective and consider the most important policy areas for highly advanced industrial countries in order to determine whether we can detect distinct performance profiles among the OECD countries.

Inequality is a basic feature of all societies – it was as relevant in ancient societies as it is today. However, dealing with inequality has always been contested, as the normative status of inequality has never been agreed upon. Some claim that inequality promotes economic efficiency but others believe that inequality is bad for society since it excludes underprivileged groups from society. This basic distinction between efficiency and equality is the basis of the major political conflict in industrial societies, the conflict between Left and Right (Bobbio 1996).

In this paper we analyze the relationship between politics and performance. For both aspects we develop empirical measures for a macro-comparative analysis of 30 OECD countries. For the dependent variable we use three different measures. The first index measures the social cohesion of societies. This we do by using one item from the expert assessments concerning the extent to which societies prevent poverty and limit socioeconomic disparities. However, such a limited perspective may not be comprehensive enough for highly complex societies. Therefore, we also analyze the performance patterns of modern societies in other areas. This leads us to the other two measures of the dependent variable: economic priorities, on the one hand, and social-environmental priorities, on the other.

The second interest of this paper is to estimate the impact of politics on social equality and different patterns of performance. One aspect that is relevant in this context is the struggle between the Left and the Right, as mentioned above. Consequentially, we test whether the mobilization of different political ideologies has different policy effects. Thus, we expect Left governments to be associated with more equality and better social performance while Right governments go with a less equal society and better economic performance.

Recently, several studies have been published that emphasize the institutional features of society and claim that there is a relationship between the political structure and certain performance patterns. In this context, Arend Lijphart's (1999; see also Powell, 2000) concept of patterns of democracy stands out. Lijphart claims that democracies have different institutions and political structures that foster a decision making structure that either favors the majority or enhances societal compromise. The former may have some advantages in economic terms while the latter may lead to "kinder and gentler" societies that are more egalitarian. In Lijphart's study, the programmatic positions of political actors are irrelevant. They might be ingrained in the political structure but this aspect is of no concern for the above mentioned studies.

In this paper, we investigate whether different types of political structure and decision-making processes lead to different performance patterns. Thus, we not only test whether Lijphart's assumptions still hold true, but we also expand his approach by focusing on particular political procedures. In addition, we also test the hypothesis of whether the Left and Right semantic still matters for the politics and the performance patterns of highly industrialized societies. In this context, we also seek to determine whether there is an interaction between institutional settings and ideological positions.

In order to conduct this analysis we rely on a new database that was compiled by the Bertelsmann Foundation. In 2007/8 around 100 political scientist and economist worldwide were asked to assess the policy performance in various fields and features of the political process in 30 OECD countries. This paper presents some first results from this comprehensive project.

2 Theory and Method

The paper has three aims: first, we wish to identify whether some states support social equality more strongly than others. While such an analysis considers social equality in isolation we also ask, secondly, whether there are systematic patterns of performance among the OECD countries. If such patterns exist, we furthermore wish to determine the major dimensions that define the differences. Finally, we would like to shed some light on the political factors that might be responsible for such differences. Two approaches will be used in this paper: institutional explanations and resource mobilization.

2.1 Social Cohesion

Social cohesion is considered to be a characteristic of a society that deals with the relations between societal units (Dahrendorf et al., 1995; McCracken, 1998). Emile Durkheim (1973) was the first to use the concept of social cohesion. He considered social cohesion as an ordering feature of a society. Basically there are two – relatively isolated – streams of analyzing social cohesion in the literature (Berger-Schmitt, 2002). One is mainly concerned with the reduction of disparities, inequality, and social exclusion, and the other focuses on strengthening social relations, interaction and ties. The latter dimension is closely related to the concept of social capital (Putnam, 1993). Since the latter aspect is difficult to analyze in a macro-comparative study and there is no reliable data available for such analysis, in this paper we refer only to the first dimension of social cohesion. Therefore, we examine the extent to which social policies in the OECD countries prevent poverty and limit socioeconomic disparities.

2.2 Patterns of Policy Performance

Several authors come to the conclusion that highly advanced industrial societies have distinct performance patterns (Esping-Andersen, 1990; Lijphart, 1999; Hall and Soskice, 2001; Roller, 2005). In particular, Esping-Andersen and Lijphart conclude that some states are more benign and support social equality more than others. The former author comes to the conclusion that social democratic welfare states are more egalitarian, while continental European states and above all liberal welfare states in the Anglo-Saxon world reinforce inequality. However, this inequality may be socially beneficial in so far as these states may be more efficient in the production of positive economic outcomes. Lijphart questions this conclusion. He does not find any correlation between specific forms of democracy and certain degrees of economic efficiency. However, he does identify differences concerning social equality. Some democracies are found to be “kinder and gentler” democracies. These are the democracies that are more consensual in contrast to other democracies, which operate on the principle of majority rule.

In order to identify the different patterns of performance of highly industrialized societies, we make use of an expert assessment of twelve policy fields. The experts were asked to assess the performance of the 30 OECD countries in the areas of economy and employment, social affairs, and sustainability. Concerning the aspect of economy and employment the following issues were assessed: labor market policy, enterprise policy, tax policy, and budgetary policy.¹ Social affairs include questions about health policy, social cohesion, family policy, pension policy, and integration policy. Finally, in the area of sustainability issues such as environmental policy, research and innovation policy, and education policy are included.

The idea behind different worlds of welfare capitalism or production regimes is that countries cluster in certain meaningful ways. Concerning our items we may predict that some nations focus more on economic affairs while others emphasize social aspects and equality.

¹ The exact phrasings of the questions are documented in the appendix.

2.3 Political Institutionalism and Resource Mobilization

In political science there is a huge debate on which political factors matter and how they matter. Two approaches in macro-comparative studies focus in particular on the relationship between politics and outcomes. First, some scholars begin by stating that political ideology is a decisive variable. The “parties matter” debate attributes a crucial role to party families: if a Left government comes to power they implement Left policies and if a Right government comes to power they favor their type of (Right) policies. The basic idea behind this line of argument is that political actors possess an ideological position (mainly operationalized on a Left/Right dimension) and try to mobilize resources (mainly votes and government positions) in order to realize their ideological ideas. Starting out with relatively simple models of party families (Hibbs 1977; for newer studies in this tradition see: Garrett, 1998; Swank, 2002; Allan and Scruggs, 2004) this concept has been elaborated upon by measuring government positions on a Right/Left scale (McDonald and Budge, 2005).

In accordance with the resource mobilization approach we use government positions on a Left/Right dimension. In order to identify the government positions we rely mainly on the expert judgments from Benoit and Laver (2006). Since Mexico and South Korea are missing in this data set, we use information from Huber and Ingelhart (1995) for these countries. Some government positions of countries in Central Eastern Europe were also not included in the expert judgments from either Benoit and Laver or Huber and Ingelhart. For these countries we add data from expert judgments collected by Jahn and Müller-Rommel (2010). All in all, the scale varies from 1 (Left) to 20 (Right) with a mean of 11.75 for all 30 OECD countries.

Scholars working in the tradition of institutionalism focus on the political structure of political systems. This tradition attempts to explain political outcomes by scrutinizing the decision-making structure and behavior of political actors. As mentioned above, one of the most sophisticated studies of this kind in comparative analysis is Arend Lijphart’s (1999) patterns of democracy. In his concept he outlines various aspects of the political structure and behavior along two dimensions. On the one hand he discovers that democracies contain a party-executive dimension and on the other hand that they are structured along a unitary/federal dimension. Lijphart claims that there are two types of democracies, one which is consensus oriented and another that is majoritarian. Consensus oriented democracies develop policy structures and behavior patterns that support compromises. Consequentially, political power is dispersed in the political system and the executive has limited power. This pattern is supported by coalition governments, strong second chambers, proportional electoral systems, corporatist arrangements, federal structures, etc. In majoritarian democracies the executive has primary decision making power and there are only few or even no actors that can obstruct the government’s policy.² These political systems have a centralized state structure, single party majority governments, no

² The obstruction of policy programs by specific actors has been analyzed in terms of veto players (Tsebelis, 2002). However, this approach seeks to determine if a political system has a small or great veto functions. Based on this, in some political systems the political process is delayed or even obstructed (great veto function) and in others reforms are more likely. However, this approach says little about the direction of change. Because of this deficiency we do not consider the veto player approach in this paper.

strong second chamber, etc. In his analysis, Lijphart uses only the first dimension (party executive) in order to prove his claim that consensus democracies lead to a “gentler and kinder” society. That means that consensus democracies are more equal and aim for more social equality than do majoritarian democracies, which may be more efficient in economic terms.³

Lijphart comes to this conclusion by focusing on 36 established democracies. However, he does not include all OECD countries. In his view, not all OECD countries are established democracies (the Czech Republic, Hungary, Mexico, Poland, Slovakia, South Korea, and Turkey). However, Lijphart’s study has a strong Anglo-Saxon bias since he includes many former colonies of the United Kingdom or countries with close relations to Great Britain (Australia, Bahamas, Barbados, Botswana, Canada, India, Jamaica, Malta, Mauritius, New Zealand, Trinidad and Tobago, Papua New Guinea), which may account for some of his findings.⁴ Furthermore, Lijphart mixes structural aspects of the political system (electoral proportionality, Federalism-decentralism, constitutional rigidity, judicial review, central bank independence, bicameralism) and behavioral aspects (effective number of parliamentary parties, executive dominance, minimal winning one-party cabinets, and interest group pluralism), which makes clear causal analysis difficult.

In this paper we suggest an alternative index of the political structure. All of our structural features of the political system refer to behavioral aspects. In basic functional terms, we use Lijphart’s categories. On the one hand we focus on effective government and on the other hand we consider the degree of consensus building (Jahn, 2012a). In our view there is no necessary trade-off between the two aspects. Thus, it could be possible that consensus behavior goes along with an efficient government structure.

Efficient government structure concerns several issues. Most important is the coherence of the government. In the literature on political efficiency coherence is a crucial variable (Powell, 2000; Tsebelis, 2002). However, defining what determines a coherent government is a difficult task. Most studies focus on ideological coherence or party discipline. In contrast to those studies, we begin with the steering capacity of the executive. In this context it is important to determine to what extent the executive is able to evaluate ministerial draft bills substantively (M3.1; the number refers to the respective question in the expert judgment in the appendix). Furthermore, if the executive is not satisfied with the content of a draft bill one must ask if it is able to return the material on the basis of policy considerations (M3.2). Considering this aspect from the point of view of the line ministries, one can ask to what extent the line ministers must involve the prime minister or the president in the preparation of policy proposals (M3.3). If the chief of government has the capacity to evaluate draft bills and can return them when he does not agree with them, and when the line ministers have to involve the head of government in preparing policy

³ Lijphart (1999: chapter 15) even goes so far as to say that majoritarian democracies are not superior to consensus democracies in economic terms but that consensus democracies are more equitable than majoritarian democracies.

⁴ Since most overseas Anglo-Saxon countries are former colonies this approach may suffer from the classic problem of diffusion, which is referred to as Francis Galton’s problem.

proposals, then the executive has substantive steering capability, which may increase the efficiency of the executive.

The coherence of a government may involve additional aspects that also serve to increase its efficiency. One of those aspects is the discipline within the government. In this context it is essential that ministers do not promote their own self-interest but rather have incentives to implement the government's program (M9.2a). Another side of this aspect is the capacity of the chief of government to efficiently monitor the ministries' activities (M9.2b). Again, if the chief of government is able to control and steer the activities of ministers then the government is considered to be coherent.

The last aspect of a coherent government requires that the cabinet has a coherent communication policy (M6.1). If governments closely align their communication with government strategy and the two do not regularly contradict each other, we may speak of coherent government communication.

In addition to coherence, an effective government may also have the planning capacity to prepare and pre-assess policies. In order to determine planning capacity we focus on the planning units at the center of government and personal advisory cabinets for ministers or prime ministers/president (M2.1). One possible indicator of this is the frequency of meetings between strategic planning staff and the head of government. Another aspect of planning is consultations on government decisions with non-governmental academic experts (M2.3). Finally, we focus also on aspects of effective cabinet planning. Do senior ministry officials (leading civil servants or political appointees, including junior ministers below cabinet level) effectively filter out or settle issues so that the cabinet is able to focus on strategic debates (M3.5)? If there are planning units, extensive academic advisory and the efficient preparation of cabinet meetings then we can conclude that the government behavior is highly structured and possesses a high degree of planning capacity.

In the next step we consider the *consensus building* capacity of a government. Two aspects are of interest here: On the one hand, the degree to which the legislature has the right to control the work of the government, and on the other hand, in how far the government is willing and able to rely on extra-parliamentary support. The impact of the legislature on government policy is crucial in political analysis (Döring, 1995). In this respect we focus on the rights of parliamentary committees to obtain expertise and information. First, it is important that parliamentary committees are able to obtain the documents they desire from the government (M14.8). Only if they are informed are parliamentary committees able to judge policy situations. Second, we focus on the degree to which parliamentary committees are able to summon ministers for hearings (M14.9). Finally, the work of parliamentary committees is supported by the right to summon experts for committee meetings (M14.10). If parliamentary committees have strong rights and ability to influence the policy process then we may speak of a strong legislative impact.

Extra-parliamentary consensus and cooperation is a crucial variable in Lijphart's analysis of consensus democracies. He uses the degree of corporatism from Siaroff (1999) in order to determine the relationship between governments and extra-

parliamentary groups. However, we specify this feature by looking at three aspects of consensus building: the ability of governments to seek extra-parliamentary support (M5.1), the ability of interest associations to propose policy concepts (M15.3a), and the extent to which the proposal of interest associations are considered to be relevant by the government (M15.3b). Although all three aspects are interrelated, they focus on different aspects of the cooperation between governments and interest associations. In the next section we will determine whether this analytical distinction is supported by the empirical data.

3 Empirical Analysis

In order to measure the above mentioned variables we rely on expert assessments by three country experts for each of the 30 OECD countries (a list of the country experts can be found in the appendix). On a scale from 1 to 10 the experts had to give their opinion on several aspects of the political system. In addition they had to justify their rankings by giving a brief statement. Their expert judgments refer to 2004/5. The work was synchronized by regional coordinators for North America, Northwestern Europe, Southern Europe, Asia and Oceania, Central Europe, East-Central Europe, and Scandinavia. The whole process was supervised by an international advisory board.⁵ All data and brief statements justifying the scores of the judgments can be obtained from the following website: <http://www.sgi-network.org>.

3.1 Performance Patterns in Highly Industrialized Societies

In this section we look at two different measures of performance patterns. On the one hand we focus on social equality in the OECD-countries. On the other hand, we analyze the performance patterns of OECD-countries and ask whether there are systematic differences between the OECD-countries and if so, what basic dimensions these occur along.

Concerning social equality, we use one question from the above mentioned expert assessments. This question deals with social cohesion within the countries. The question is: "To what extent does social policy in your country prevent and limit socioeconomic disparities?"

⁵ The regional coordinators were: Martin Thunert for North America, Kai-Uwe Schnapp for Northwestern Europe, Cesar Colino for Southern Europe, Aurel Croissant for Asia and Oceania, Martin Große Hüttmann for Central Europe, Frank Bönker for East-Central Europe, and Detlef Jahn for Scandinavia. The members of the international advisory board were: Martin Brusis (University of Munich), Aurel Croissant (University of Heidelberg), Stefan Empter (Bertelsmann Foundation), Thomas Fischer (Bertelsmann Foundation), Klaus Gretschmann (Council of the European Union), Martin Hüfner (HF Economics Ltd.), Oliver Heilwagen (Bertelsmann Foundation), András Inotai (Institute for World Economics of the Hungarian Academy of Sciences), Detlef Jahn (University of Greifswald), Werner Jann (University of Potsdam), Josef Janning (Bertelsmann Foundation), Hans-Dieter Klingemann (Social Science Research Center Berlin), Rolf J. Langhammer (Kiel Institute for the World Economy), Johannes Meier (Bertelsmann Foundation), Wolfgang Merkel (Social Science Research Center Berlin), Leonard Novy (Bertelsmann Foundation), Hans-Jürgen Puhle (University of Frankfurt), Friedbert W. Rüb (University of Hamburg), Ulrich van Suntum (University of Münster), Uwe Wagschal (University of Heidelberg), Werner Weidenfeld (University of Munich), Helmut Wiesenthal (Humboldt University Berlin, Germany)

As mentioned above, the policy performance of highly industrialized societies may cluster in different ways. Esping-Andersen comes to the conclusion that there are three worlds of welfare capitalism: a social democratic world, a conservative or corporatist world, and a liberal world. Production regime analysis postulates that there are four regimes: uncoordinated liberal market economy, coordinated market economy, sector-coordinated market economy, and group-coordinated market economy. In our analysis we include 12 policy fields and ask how these 12 policy areas are related. To do this we conduct a factor analysis. The results are shown in table 1.

Table 1. Patterns of Policy Performance in Highly Industrialized Societies

	<i>Factor 1</i>	<i>Factor 2</i>
<i>Economy and Employment</i>		
Labor Market (S6.1)		.672
Enterprise Policy (S7.1)		.561
Tax Policy (S8.1)		.753
Budgetary Policy (S9.1)		.836
<i>Social Affairs</i>		
Health Policy (S10.1)	.730	
Social Cohesion (S11.1)	.830	
Family Policy (S12.1)	.708	
Pension Policy (S13.1)	.653	.593
Integration Policy (S15.1)		.775
<i>Sustainability</i>		
Environmental Policy (S16.1)	.866	
Research and Innovation Policy (S17.1)	.632	
Education Policy (S18.1)	.703	

Note: Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 3 iterations. Coefficients smaller than .55 are suppressed. The numbers of the assessment items are set in brackets (see appendix).

We extract two factors, which when combined explain more than 70 percent of the variance. The rotated solution is shown in table 1. The factor analysis confirms the assumption that there are two different styles of policy performance. One factor summarizes the social policies (health, social cohesion, family, and pension) and sustainability (environment, research and innovation, education) and the other economic aspects (enterprise, tax, budgetary). There are a few inconsistencies regarding integration policy and pension policy. Although pension policy loads stronger in the predicted field of social policy, it also has a strong loading on the second factor. Integration policy loads on the second factor instead of on the first as we may have expected. This means that integration policy is more similar to the economic policies than to the social policy patterns. This may mean that integration policy is driven mainly by the economic imperatives of labor market integration rather than social integration.

In the following analysis we use the variable measuring social cohesion and the two factor scores as the dependent variable. The first factor refers to the emphasis

of social and environmental aspects, *i.e.* countries with a high factor on this dimension are societies that Lijphart would regard as “gentler and kinder”. The second factor summarizes countries with economic priorities and therefore measures economic efficiency. Social cohesion and the first factor (social policy) correlate highly (Pearson’s $r = .83^{**}$). The correlation between social cohesion and the second factor is $.392^*$.⁶ Table 2 shows the scores for the individual performance variables. For social cohesion in it the raw score of the expert assessment and for the other two indicators the factor scores.

Table 2. Performance Patterns of OECD-Countries

<i>Cohesion</i>		<i>Social</i>		<i>Economy</i>	
1 Norway	10	1 Denmark	1.34	1 Canada	1.83
2 Luxembourg	9	2 Sweden	1.26	2 Australia	1.51
3 Finland	9	3 Finland	1.15	3 Ireland	1.29
4 Denmark	9	4 Germany	1.12	4 New Zealand	1.15
5 Sweden	9	5 Austria	1.05	5 UK	0.96
6 Netherlands	9	6 France	0.94	6 United States	0.90
7 Czech Republic	8	7 Japan	0.92	7 Luxembourg	0.72
8 New Zealand	8	8 Belgium	0.90	8 Norway	0.67
9 Belgium	8	9 Czech Republic	0.87	9 Spain	0.63
10 Austria	8	10 Norway	0.74	10 Sweden	0.57
11 Switzerland	8	11 Netherlands	0.74	11 Netherlands	0.56
12 Japan	7	12 New Zealand	0.57	12 Iceland	0.56
13 Slovakia	7	13 Iceland	0.37	13 Switzerland	0.52
14 Ireland	7	14 Switzerland	0.34	14 Finland	0.52
15 Germany	7	15 Luxembourg	0.02	15 Denmark	0.37
16 Canada	7	16 South Korea	0.00	16 Slovakia	0.13
17 Australia	7	17 Hungary	-0.18	17 Portugal	0.06
18 Iceland	7	18 UK	-0.18	18 Austria	-0.26
19 South Korea	6	19 Canada	-0.36	19 Belgium	-0.50
20 UK	6	20 United States	-0.41	20 South Korea	-0.51
21 France	6	21 Poland	-0.43	21 Turkey	-0.65
22 Poland	5	22 Ireland	-0.48	22 Mexico	-0.66
23 Hungary	5	23 Australia	-0.59	23 Greece	-0.80
24 Spain	5	24 Italy	-0.68	24 Germany	-0.99
25 Italy	5	25 Slovakia	-0.70	25 Czech Republic	-1.12
26 United States	5	26 Portugal	-1.29	26 Italy	-1.30
27 Portugal	4	27 Mexico	-1.31	27 Japan	-1.40
28 Mexico	4	28 Spain	-1.37	28 Poland	-1.44
29 Turkey	3	29 Turkey	-2.01	29 Hungary	-1.47
30 Greece	3	30 Greece	-2.36	30 France	-1.86

Norway, Luxembourg, Finland, Denmark, Sweden and the Netherlands are the OECD countries with the highest degree of social cohesion. Portugal, Mexico, Turkey and Greece have the lowest degree of social cohesion. With respect to economic pol-

⁶ Needless to say, the factor scores of the first and second dimension are not correlated with each other.

icity, six Anglo-Saxon states receive the best ratings. The countries that stand out with regard to social performance are the Scandinavian countries and Germany, Austria and France. Before we analyze the impact of political variables on these performance patterns among the OECD countries, we first have to identify different patterns in political decision making within the OECD countries, to which we now turn.

3.2 Political Decision Making in the OECD-Countries

In this section we analyze whether the decision making structures of highly industrialized societies reflect the patterns we predicted. We started out by saying that the decision making structures are determined by the strength of the executive, the government's planning capacity, the influence of the legislature and the consensus building with extra-parliamentary interest associations. Here we again conduct a factor analysis with the variables mentioned above.⁷

When including all of the political process variables in a factor analysis we identify four factors that explain more than three quarters of the variance. The four factors match the analytical classification in a very impressive way. The first factor combines all issues that are associated with the power of the executive while the second factor contains the items concerning consensus building with extra-parliamentary groups. The third factor assembles items that deal with strategic planning and the fourth factor encompasses items dealing with the power of legislature to obtain information. This confirms that it makes sense to speak of four dimensions that constitute the political process in highly industrialized societies:

- Executive Power
- Government's strategic planning capacity
- Legislative Influence
- Consensus Building with Extra-Parliamentary Actors

⁷ For a more detailed description of the analysis and a systematic comparison with other approaches to government decision making structures see: Jahn, 2012a; 2012b.

Table 3. Dimensions of the Political Decision-Making Structure in OECD Countries

	<i>Factor 1</i>	<i>Factor 2</i>	<i>Factor 3</i>	<i>Factor 4</i>
<i>% of Variance</i>	40.87	17.50	10.49	7.58
<i>Government's strategic planning capacity</i>				
Strategic Planning (M2.1)			0.75	
Scientific Advice (M2.3)			0.83	
Preparation (M3.5)			0.58	
<i>Legislative Influence</i>				
Obtain Documents (M14.8)				0.89
Summoning Ministers (M14.9)				0.84
Summoning Experts (M14.10)				0.76
<i>Executive Concentration</i>				
PM Expertise (M3.1)	0.64			
PM Gatekeeper (M3.2)	0.79			
PM Involvement (M3.3)	0.84			
Ministerial Compliance (M9.2a)	0.82			
PM Monitoring Ministers (M9.2b)	0.79			
Coherent Communication (M6.1)	0.78			
<i>Consensus Building with Extra-Parliamentary Actors</i>				
Mobilizing Public Support (M5.1)		0.88		
Association Competence (M15.3a)		0.79		
Association Relevance (M15.3b)		0.92		

Notes: Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 5 iterations. Coefficients smaller than .55 are suppressed. The numbers of the assessment items are set in brackets (see appendix II).

Strong executive are present in very diverse countries. Leading countries include France, the United States, Canada, Iceland and Australia. Concerning the planning capacity of the government office we find Slovakia, Sweden, the Netherlands, Norway and Canada on top. Concerning the other two dimensions the data show that Poland, the Czech Republic, Switzerland, Sweden and Australia are particularly inclined to have a strong legislature and that the Scandinavian countries, together with Ireland and Austria, are leading with regard to consensus building. Table 4 summarizes the results for each country by showing the factor scores for each dimension extracted from the factor analyzes.

Table 4. Features of the Political Decision Making Structure in 30 OECD Countries

	<i>Executive</i>	<i>Planning</i>	<i>Legislative Efficiency</i>	<i>Consensus Building</i>			
France	1.35	Slovakia	1.61	Poland	1.26	Finland	1.52
United States	1.21	Sweden	1.42	Czech Republic	1.03	Switzerland	1.50
Canada	1.05	Netherlands	1.22	Switzerland	0.91	Iceland	1.43
Iceland	0.93	Norway	1.21	Sweden	0.86	Ireland	1.41
Australia	0.92	Canada	1.08	Australia	0.83	Norway	1.40
Mexico	0.86	Japan	1.01	Norway	0.81	Austria	1.17
Belgium	0.85	Hungary	0.86	Finland	0.78	Sweden	0.99
South Korea	0.81	Luxembourg	0.72	Hungary	0.76	Netherlands	0.73
UK	0.80	Italy	0.66	Canada	0.70	Germany	0.64
Denmark	0.56	South Korea	0.66	United States	0.69	Denmark	0.64
Hungary	0.49	UK	0.39	New Zealand	0.64	United States	0.44
Ireland	0.47	United States	0.36	Germany	0.63	Luxembourg	0.36
New Zealand	0.46	New Zealand	0.20	Belgium	0.61	Spain	0.33
Portugal	0.31	Finland	0.20	Denmark	0.52	Czech Republic	0.14
Norway	0.23	Denmark	0.13	South Korea	0.35	Belgium	-0.06
Turkey	0.22	Mexico	0.12	Iceland	0.20	Italy	-0.11
Finland	0.08	Turkey	-0.01	Netherlands	0.04	New Zealand	-0.17
Sweden	0.01	Ireland	-0.08	Greece	-0.05	Canada	-0.27
Luxembourg	-0.04	Portugal	-0.23	UK	-0.07	Slovakia	-0.46
Spain	-0.19	Spain	-0.28	Slovakia	-0.38	Australia	-0.46
Netherlands	-0.19	Australia	-0.33	Portugal	-0.49	Portugal	-0.57
Greece	-0.21	Germany	-0.40	Luxembourg	-0.54	UK	-0.71
Switzerland	-0.28	Belgium	-0.52	France	-0.62	Turkey	-0.74
Austria	-0.62	Czech Republic	-0.93	Italy	-0.79	Mexico	-0.97
Japan	-0.93	Poland	-1.01	Mexico	-0.82	South Korea	-1.06
Germany	-1.26	France	-1.18	Spain	-0.84	Greece	-1.13
Czech Republic	-1.66	Iceland	-1.38	Austria	-0.94	Japan	-1.17
Slovakia	-1.81	Switzerland	-1.39	Japan	-1.19	Poland	-1.50
Poland	-2.01	Austria	-1.56	Turkey	-1.36	France	-1.58
Italy	-2.41	Greece	-2.55	Ireland	-3.53	Hungary	-1.71

In the next section we will investigate whether the different dimensions of the political process have a systematic impact on the two different policy styles and social cohesion. Based on Lijphart's reflections, one could postulate that consensus building and legislative influence is more closely related to efficient social performance. Executive power approximates majoritarian decision making processes, although the concept of executive power is more encompassing than majority rules. How a government's strategic planning capacity matches the two performance styles is unclear. Building a social welfare state is more dependent upon strategic planning than achieving an effective economic policy. Furthermore, one could hypothesize that effective economic performance is mainly achieved when governments do not intervene in the economic process. This in turn would make strategic planning less important. Additionally, we also ask whether the political position of a government has an effect on policy outcomes. The basic assumption of the "parties

matter” hypothesis (Hibbs, 1977; Schmidt, 1996) is that Left governments promote social cohesion and focus on social and environmental aspects. In contrast, Right governments promote economic efficiency but allow social disparities. However, this relationship might not be unconditional. Governments act in different contexts and an obvious aspect of this is that strong Left and Right governments may have this predicted effect whereas weak government may not. Such integration of institutional and positional analysis has often been neglected in political analysis. In the following, we will analyze this complex interaction.

4 Multivariate Analysis: Political Decision Making Structure, Ideology, and Performance Patterns

In this section we analyze the impact of the four dimensions of the political process on our three performance indices. As mentioned above, legislative influence, consensus building, and strategic planning might have a stronger impact on social performance whereas executive power might weigh more on economic performance. In all of the models we also include a variable that measures the dominant government position on a Left/Right scale. We also consider the interaction between executive power and the governments’ Left/Right position since strong Left executives may support better social performance and a more equal society while a strong Right executive may, in contrast, support better economic performance and a more unequal society. However, the interactive term is not significant on the economic policy dimension, thus we report the results with interaction terms only for the social policy dimension and social cohesion. Table 5 reports the results of various OLS-regression models, which will be interpreted in the following paragraphs.

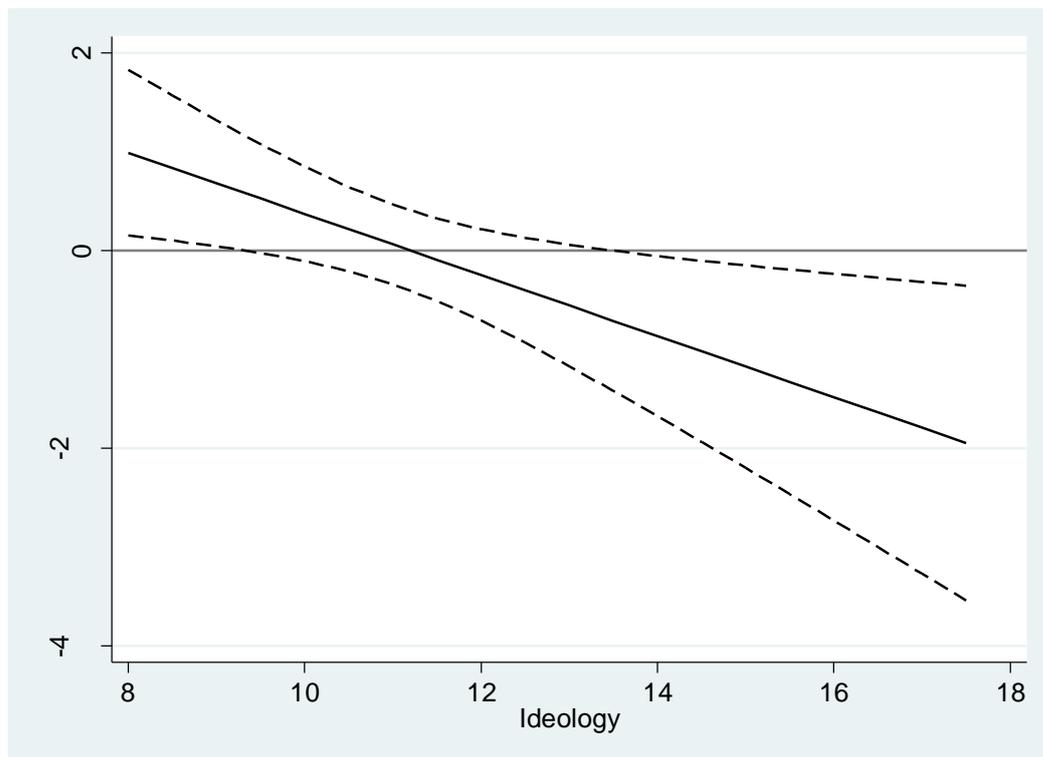
Table 5. The Impact of Government Decision-Making Structures and Political Preferences on Patterns of Performance

	<i>Model (1)</i> <i>Cohesion</i>	<i>Model (2)</i> <i>Cohesion</i>	<i>Model (3)</i> <i>Economy</i>	<i>Model (4)</i> <i>Social</i>	<i>Model (5)</i> <i>Social</i>	<i>Model (6)</i> <i>Social</i>
Executive Power	0.0438 (0.254)	3.466* (1.564)	0.381** (0.135)	0.0413 (0.170)	1.996+ (1.080)	2.577* (0.944)
Strategic Planning	0.548* (0.244)	0.417+ (0.234)	0.277* (0.130)	0.142 (0.164)	0.0672 (0.162)	-0.195 (0.163)
Legislative Influence	0.444 (0.273)	0.648* (0.270)	0.124 (0.146)	0.259 (0.184)	0.375+ (0.186)	0.388* (0.160)
Consensus Building	1.250*** (0.244)	1.241*** (0.227)	0.535*** (0.130)	0.446* (0.164)	0.440** (0.157)	0.337* (0.138)
Left/Right Government	-0.120 (0.151)	-0.0659 (0.142)	0.114 (0.0803)	-0.105 (0.101)	-0.0739 (0.0980)	-0.0859 (0.0840)
Executive Power * Left/Right Government		-0.309* (0.140)			-0.177+ (0.0965)	-0.230* (0.0844)
_cons	8.107*** (1.786)	7.617*** (1.671)	-1.333 (0.952)	1.231 (1.199)	0.950 (1.154)	1.206 (0.992)
N	30	30	30	30	30	29
R ²	0.604	0.674	0.595	0.359	0.440	0.510

Note: Standard errors in parentheses; += p<0.10; * p<0.05; ** p<0.01; *** p<0.001

The first two models focus on the impact of the political variables on social cohesion. Model 1 includes the four political process variables and the Left/Right position of governments. The results show that consensus building is crucial for social cohesion. Government planning capacity also contributes positively to social cohesion. All other variables are insignificant, although the negative sign for government position shows that governments inclined toward the Left go together with social cohesion more strongly than Right governments. In order to take a closer look at this correlation we interacted the government position variable with the four political process variables. It turns out that the interaction between executive power and the Left/Right position alters the results substantially.⁸ As model 2 demonstrates, executive power and legislative influence now have a significant impact on social cohesion. The model also makes clear that the interaction of executive power and the ideological position of governments may contribute to the explanation of social cohesion. However, interpreting interactions is not straightforward. Cindy Kam and Robert Franzese (2007) have provided a comprehensive introduction to the interpretation of interactive terms. They conclude that graphical interpretation is superior to pure mathematical interpretation of coefficients and confidence intervals. Therefore figure 1 shows the marginal effects of executive power depending on the value of the political position of the government.

Figure 1. Marginal Effect of Executive Power on Social Cohesion



Note: Straight line shows the marginal effect of executive power on social cohesion at different values of Left/Right governments' positions. Dotted lines indicate the 90 percent confidence interval.

⁸ We also tested the effects of the interaction with the other political process variables in both the economic and social policy performance models. None of these interaction effects were significant except for the interaction between executive power and government position in the social policy performance model.

Figure 1 shows the impact of the Left/Right positions of governments on executive power. A value from 8 to 9.3 on the left/right scale has a significant positive marginal effect on social cohesion.⁹ Between 9.3 and 13.5 the effect is indistinguishable from zero. Above 13.5 the effect is significantly negative. This means that the ideological position of governments matter when considered in combination with the strength of the executive. Strong Left governments support social cohesion and strong Right governments are connected with higher poverty and socioeconomic disparities.¹⁰

Model 3 shows that economic performance is clearly associated with executive power. However, it is also positively related to strategic planning and above all consensus building. The only insignificant political process variables are legislative influence and the ideological position of government. However, even if the government position is insignificant, the sign shows that Right government positions are associated with a positive economic performance. As mentioned above, concerning economic performance we could not discover any interaction effect.

The situation changes again when we look at social performance. In model 4, consensus building is the only significant variable. The ideological position of the government changes signs, so we can conclude that Left governments promote social policy performance more strongly than Right governments. However, this result is insignificant and, additionally, the overall fit of the regression model is rather poor. In order to improve the explanatory power of this model we again included the interaction term between executive power and the ideological position of the government. This implies that executive power is influenced by the governments' position and vice versa.

Model 5 includes the interaction term between governments' ideological position and executive power. The overall fit of the regression model improves but it is still far of being perfect. The regression diagnostics of model 4 shows that Greece, France and Japan are influential cases. Regressions without Greece push the variable measuring the strength of the executive and the government position clearly over the significance level, while regressions without the other two countries lead to the opposite effect.

However, some patterns do become clearer when including the interaction term. First of all, consensus building remains significant in this model. In addition, the other consensus oriented variable, legislative influence, has a positive impact on social performance. Executive power also becomes significant at the 8 percent level. This means that a strong executive also has a positive effect on social performance. Concerning the programmatic position of governments, Left governments are still inclined to support better social policy performance than Right governments. This

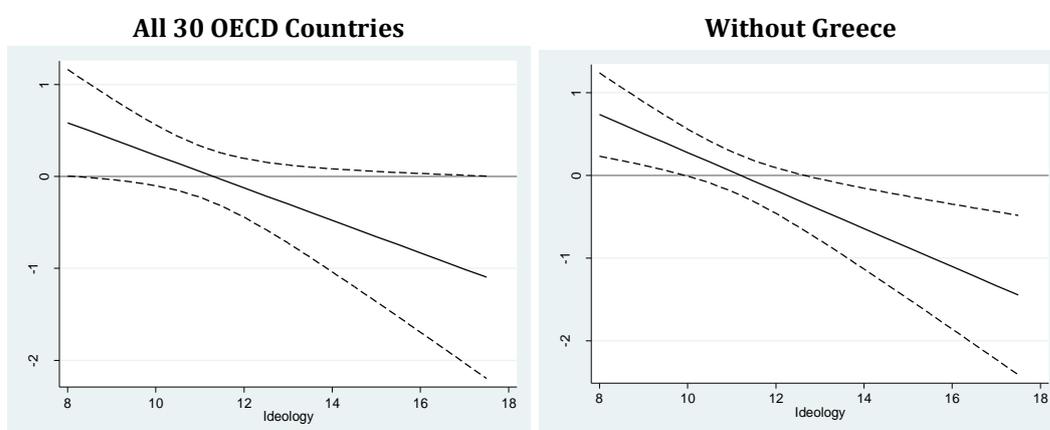
⁹ The empirical values of the left/right scale range from 8.3 to 15.2 with a mean of 11.75.

¹⁰ We also tested models with other variables. Including Lijphart's executive-party dimension does not yield any significant results (not shown here) and all other variables, except legislative influence, retain their significance. When interpreting this data we should keep in mind that seven cases were dropped from the analysis because Lijphart did not include all OECD countries in his study.

becomes especially clear when we look at the interaction between governments' position and executive power.

A closer look at this relationship is displayed in figure 2. The more a government's ideology moves to the right (higher figures), the stronger the impact of a strong executive on a low social policy performance (negative slope). While this relationship is not indistinguishable from zero for all the 30 OECD countries, it has a significant effect when we exclude Greece from the analysis. In the model without Greece, governments on the Left (below the value of ten) increase social performance, when in a position between ten and thirteen there is no clear significant impact, and at a value of more than thirteen on the Left/Right scale, i.e. leaning to the Right, the government's position has a significant negative impact on social performance. Figure 2 shows the graphical results of this interaction terms.

Figure 2. Marginal Effect of Executive Power on Social Policy Performance



Note: Straight line shows the marginal effect of executive power on social policy performance at different values of left/right governments' positions. Dotted lines indicate the 90 percent confidence interval.

5 Conclusion

We would like to thank Eric Lingner, Marieke Broeren and Alexander Horn for their assistance in data collection as well as Lyle Scruggs for discussing the concepts and developing the coding rules with us within the framework of CWED II, a part of which the data used in this analysis is. An earlier version was presented at the 6th ECPR General Conference in Reykjavik in August 2011. We would like to thank the participants of the panel for their constructive comments.

The paper shows that the OECD countries differ quite substantially regarding the degree to which they prevent poverty and limit socioeconomic disparities. The difference in social cohesion, however, is also reflected in the broader variance in the performance patterns of the OECD countries. While some countries stress economic performance more strongly, others focus more extensively on social and environmental aspects. The latter performance profile is highly correlated with social cohesion, so that we may conclude that these countries are "kinder and gentler" societies. The Scandinavian countries represent this performance pattern whereas the Anglo-Saxon countries stand for economic efficiency and low social cohesion.

These different patterns of performance can be explained with political variables. No matter what kind of performance is preferred, consensus building is supportive of both economic and social performance, as well as of social cohesion. In this sense the dichotomy favored by Lijphart needs to be modified. Consensus and majoritarian democracies are not opposing sides. Consensus is important no matter whether a government is more integrative or more majoritarian. Another finding of our study is that strong executives are supportive of both performance patterns, though they are more significant for economic performance than for social performance. The opposite is true for legislative influence. A strong legislative influence fosters social performance and social cohesion but is irrelevant in the context of economic performance.

In addition to these institutional aspects the paper also supports a resource mobilization interpretation. However, resource mobilization is not just a function of ideological position; it needs to be supported by institutional features, above all the strength of the executive. If the executive is strong and can determine policies then the ideological position is relevant. This means that governments inclined toward the Left support social equality and prevent poverty in contrast to Right governments. Right governments, in turn, better realize an efficient economy than Left governments. This conclusion implies that politics matters but that they are filtered by institutional factors. This fact also leads to the conclusion that it is insufficient to focus analyses exclusively on institutional (Lijphart, 1999; Powell, 2000) or ideological explanations (Budge and McDonald, 2005) as most studies have done in the past. It is necessary to combine institutional analyses with examinations of the programmatic positions of the relevant actors.

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Appendix I: Experts for the respective countries

Asia and Oceania: Australia: Ian McAllister (Australian National University), Frank Stilwell (The University of Sydney), Roger Wilkins (The University of Melbourne); **Japan:** Tetsuo Fukawa (National Institute of Population and Social Security Research), Patrick Köllner (GI-GA German Institute of Global and Area Studies), Werner Pascha (University of Duisburg-Essen); **South Korea:** Thomas Kalinowski (Graduate School of International Studies, Ewha University), Won-Taek Kang (Soongsil University Seoul), Eun-Jeung Lee (University of Halle-Wittenberg); **New Zealand:** André Kaiser (University of Cologne), Claudia Scott (Victoria University of Wellington), Frank Stähler (University of Otago); **Central Europe: Austria:** Franz Fallend (University of Salzburg), Anton Pelinka (Institute of Conflict Research), Rudolf Winter-Ebmer (University of Linz); **France:** Isabelle Bourgeois (CIRAC Université de Cergy-Pontoise), Yves Mény (European University Institute Florence), Henrik Uterwedde (Institute for German and French Relations); **Germany:** Friedrich Heinemann (Centre for European Economic Research), Wade Anthony Jacoby (Brigham Young University), Friedbert W. Rüb (University of Hamburg); **Switzerland:** Klaus Armingeon (University of Bern), Gebhard Kirchgässner (University of St. Gallen), Wolf Linder (Institute for Political Science Unitobler); **East-Central Europe: Czech Republic:** Zdenka Mansfeldová (Academy of Sciences of the Czech Republic); Martin Myant (University of Paisley), Martin Potucek (Centre for Social and Economic Strategies (ChU)); **Hungary:** Attila Ágh (Corvinus University of Budapest), Jürgen Dieringer (Andrássy-Universität Budapest), András Inotai (Institute for World Economics of the Hungarian Academy of Sciences); **Poland:** Dieter Bingen (German Poland Institute), Maciej H. Grabowski (Instytut Badan nad Gospodarka Rynkowa Claudia Matthes (Berlin); **Slovakia:** Marianne Kneuer (University of Erfurt), Darina Malova (Comenius University), Jan Marusinec (M.E.S.A.); **North America: Canada:** Donald Savoie (Université de Moncton), Rainer-Olaf Schultze (University of Augsburg), Andrew Sharpe (Centre for the Study of Living Standards); **Mexico:** Ulises Béltran (Centro de Investigacion y Docencias Economicas/ Col. Lomas de Santa Fe), Jörg Faust (German Development Insitute), George Philip (London School of Economics); **United States:** Andreas Falke (University of Erlangen), Carl-Ludwig Holtfrerich (Free University of Berlin), Paul J. Quirk (University of British Columbia); **Northwest Europe: Belgium:** Micael Castanheira (Universite Libre de Bruxelles), Claus Hecking (Financial Times Germany GmbH & Co. KG), Benoît Rihoux (Université Catholique de Louvain); **Ireland:** Michael Marsh (Trinity College Dublin), Paul Lawrence Mitchell (London School of Economics), Brendan M. Walsh (University College Dublin); **Luxembourg:** Fernand Fehlen (Université du Luxembourg), Mario Hirsch (Institut Pierre Werner), Philippe Poirier (Université du Luxembourg); **Netherlands:** Bernhard Kittel (University of Oldenburg), Robert van den Bosch (Former chief economist ABN Amro Bank (retired)), Wichard Woyke (University of Münster); **United Kingdom:** Iain Begg (London School of Economics), Andreas Busch (University of Oxford), Roland Sturm (University of Erlangen / Nürnberg); **Scandinavia: Denmark:** Torben M. Andersen (University of Aarhus), Finn Laursen (Dalhousie University), Wolfgang Zank (Aalborg University); **Iceland:** Gretar Thor Eythorsson (Bifröst University), Thorvaldur Gylfason (University of Iceland), Detlef Jahn (University of Greifswald); **Finland:** Dag Anckar (Abo Akademi University), Christoph Oberst/Kati Kuitto (University of Greifswald), Pekka Ylä-Anttila (ETLA - Research Institute of the Finnish Economy); **Norway:** Stein Ringen (University of Oxford), Ulf Sverdrup (ARENA, Oslo), Fabrizio Zilibotti (University of Zurich); **Sweden:** Carl Dahlstrom (Göteborg University), Detlef Jahn (University of Greifswald), Jon Pierre (Göteborg University); **Southern Europe: Italy:** Marco Annunziata (UniCredit Markets & Investment Banking, Bavarian Hypo- und Vereinsbank AG), Maurizio Cotta (Universita di Siena), Roman Maruhn (University of Munich); **Greece:** Kevin Featherstone (London School of Economics), Spiridon Paraskewopoulos (University of Leipzig), Dimitri A. Sotiropoulos (University of Athens); **Portugal:** Thomas C. Bruneau (Naval Postgraduate School), Carlos Jalali (University of Aveiro), Pedro Magalhães (Universidade de Lisboa); **Spain:** Oriol Homs we Ferret (Foundation CIREM), Wolfgang Merkel (Social Science Research Center Berlin (WZB)), José Ramón Montero (Universidad Autónoma de Madrid and Departamento de Ciencia Política y Relaciones Internacionales); **Turkey:** Yilmaz Esmer (Bogazici University), Günter Seufert (Schonungen-Mainberg/Cighangir-Istanbul), Subidey Togan (Bilkent University).

Appendix II: Questions about the performance of the OECD countries.

S6.1 Labor market policy

How effectively does labor market policy in your country address unemployment?

This question addresses a government's strategies to reconcile the following objectives: balancing offer and demand on the labor market by providing sufficient mobility of the labor force according to the needs of potential employers, unemployment reduction and job security.

To assess labor market policy comprehensively, special emphasis should be placed on the positive or detrimental effects resulting from labor market regulation (e.g., dismissal protection, minimum wages, collective agreements) and from the modus operandi of unemployment insurance.

Answer:

Strategies against unemployment have been successfully implemented, thus unemployment is not considered a serious threat. 10-9

Labor market policy has been more or less successful. 8-6

Strategies against unemployment have shown little or no significant success. 5-3

Labor market policy fails to address unemployment effectively, its strategies show instead contrary effects, and unemployment rates are increasing. 2-1

S 7.1 Enterprise policy

How successful has enterprise policy been in fostering innovation, entrepreneurship and economic competitiveness, and in stimulating private investment?

Private investment includes not only the acquisition of capital stock, but also entrepreneurial transactions aimed at investment, such as developing human capital, the restructuring of companies, establishing new companies, etc.

Answer:

Enterprise policy has been successful in achieving the objectives of fostering innovation, entrepreneurship and economic competitiveness, and stimulating private investment. 10-9

Enterprise policy has largely achieved the objectives of fostering innovation, entrepreneurship and economic competitiveness, and stimulating private investment. 8-6

Enterprise policy has partly achieved the objectives of fostering innovation, entrepreneurship and economic competitiveness, and stimulating private investment. 5-3

Enterprise policy has not achieved the objectives of fostering innovation, entrepreneurship and economic competitiveness, and stimulating private investment. 2-1

S 8.1 Tax policy

To what extent does taxation policy realize goals of equity, competitiveness and the generation of sufficient public revenues?

The objectives of justice and allocative efficiency suggest that taxation policies do not discriminate between different groups of economic actors with similar tax-paying abilities, such as corporate and personal income taxpayers (horizontal equity).

Tax systems should also impose higher taxes on persons or companies with a greater ability to pay taxes (vertical equity). Tax rates and modalities should improve or at least not weaken a country's competitive position. However, tax revenues should be sufficient to ensure the long-term financing of public services and infrastructure. "Sufficiency" does not assume any specific ideal level of public expenditure, but refers only to the relationship between public revenues and expenditures.

Answer:

Taxation policies are equitable, competitive and generate sufficient public revenues. 10-9

Taxation policies fail to achieve one of the three principles. 8-6

Taxation policies fail to achieve two of the three principles. 5-3

Taxation policies fail to realize the following three principles: equity, competitiveness and the generation of sufficient public revenues. 2-1

S 9.1 Budgetary policy

To what extent does budgetary policy realize the goal of fiscal sustainability?

This question focuses on the aggregate of public budgets and does not assess whether budgets reflect government priorities or induce departments to manage efficiently.

Sustainable budgeting should enable a government to pay its financial obligations (solvency), sustain economic growth, meet future obligations with existing tax burdens (stable taxes) and pay current obligations without shifting the cost to future generations (inter-generational fairness).

Answer:

Budgetary policy is fiscally sustainable. 10-9

Budgetary policy achieves most standards of fiscal sustainability. 8-6

Budgetary policy achieves some standards of fiscal sustainability. 5-3

Budgetary policy is fiscally unsustainable. 2-1

S 10.1 Health policy

How effective and efficient are health care policies in your country?

Public health care policies should aim at providing high-quality health care for the largest possible share of the population and at the lowest possible costs.

Of the three criteria – quality, inclusiveness and cost efficiency – efficiency should be given less weight if the first two criteria can be considered fulfilled.

Answer:

Health care policies provide high-quality health care for a majority of the population and services are efficiently organized. 10-9

Health care policies provide high-quality health care for a majority of the population, but services are inefficiently organized. 8-6

Health care policies provide poor-quality health care for a majority of the population and services are inefficiently organized. 5-3

Health care policies provide poor-quality health care for a majority of the population. Health care services are underfinanced, overloaded, unreliable and inefficiently organized. 2-1

S 11.1 Social cohesion

To what extent does social policy in your country prevent poverty and limit socioeconomic disparities?

While the prevention of poverty and the mitigation of socioeconomic disparities may coincide, the two objectives differ from each other and may require rather different policies. Poverty prevention is in normative terms more desirable than limiting socioeconomic disparities.

Answer:

Social policy effectively prevents poverty and significantly limits socioeconomic disparities. 10-9

Social policy effectively prevents poverty but does not limit socioeconomic disparities. 8-6

Social policy limits some socioeconomic disparities but fails to prevent poverty effectively. 5-3

Social policy does not effectively prevent poverty and tends to exacerbate socioeconomic disparities. 2-1

S 12.1 Family policy

To what extent do family support policies in your country enable women to combine parenting with participation in the labor market?

Traditional family patterns confine mothers to opt out of gainful employment and focus on household and child care work, a division of roles that has lost acceptance among an increasing number of women. This question is based on the assumption that an optimal system of family support should enable women to decide freely whether and when they want to remain full-time mothers or to take up full- or part-time employment.

Answer:

Family support policies effectively enable women to combine parenting with employment. 10-9

Family support policies provide some support for women who want to combine parenting and employment. 8-6

Family support policies provide only few opportunities for women who want to combine parenting and employment. 5-3

Family support policies force most women to opt for either parenting or employment. 2-1

S 13.1 Pension policy

To what extent does pension policy in your country realize goals of poverty prevention, inter-generational equity and fiscal sustainability?

An optimal pension system should prevent poverty among the elderly due to retirement and should be based on distributional principles that do not erode the system's fiscal stability. It should ensure equity among pensioners, the active labor force and the adolescent generation.

These objectives may be achieved by different pension systems: exclusively public pension systems, a mixture of public and private pension schemes, or publicly subsidized private pension plans. Accumulating public and private implicit pension debt is undesirable.

Answer:

The pension policy is fiscally sustainable, guarantees inter-generational equity and effectively prevents poverty caused by old age. 10-9

The pension policy fails to realize one of these three principles. 8-6

The pension policy fails to realize two of these three principles. 5-3

The pension policy is fiscally unsustainable, does not effectively prevent old-age poverty and fails to achieve inter-generational equity. 2-1

S 15.1 Integration policy

How effectively do policies in your country support the integration of migrants into society?

This question covers integration-related policies comprising a wide array of cultural, education and social policies insofar as they affect the status of migrants or migrant communities in society. The objective of integration precludes forced assimilation but favors integration by acquisition of nationality.

Please take into account the additional background data on the acquisition of nationality, which are for your information only and are not used to calculate BRI results. While these data alone say little about integration, they are a proxy indicator for a country's willingness to integrate foreign immigrants and preparedness in doing so.

Answer:

Cultural, education and social policies effectively support the integration of migrants into society. 10-9

Cultural, education and social policies seek to integrate migrants into society, but have failed to do so effectively. 8-6

Cultural, education and social policies do not focus on integrating migrants into society. 5-3

Cultural, education and social policies segregate migrant communities from the majority society. 2-1

S 16.1 Environmental policy

How effectively does environmental policy in your country protect and preserve the sustainability of natural resources and quality of the environment?

This question covers a government's activities aimed at safeguarding the environment and thereby securing the prerequisites for sustainable economic development.

Answer:

Environmental policy effectively protects, preserves and enhances the sustainability of natural resources and quality of the environment. 10-9

Environmental policy largely protects and preserves the sustainability of natural resources and quality of the environment. 8-6

Environmental policy insufficiently protects and preserves the sustainability of natural resources and quality of the environment. 5-3

Environmental policy has largely failed to protect and preserve the sustainability of natural resources and quality of the environment. 2-1

S 17.1 Research and innovation policy

To what extent does research and innovation policy in your country support technological innovations that foster the creation and introduction of new products?

This question comprises subsidies and incentives for research institutions conducting basic and applied research, as well as subsidies and incentives for establishing start-up companies that transfer scientific output into products and enhanced productivity. Bureaucratic impediments to research and innovation should also be taken into account.

Answer:

Research and innovation policy effectively supports innovations that foster the creation of new products and enhance productivity. 10-9

Research and innovation policy largely supports innovations that foster the creation of new products and enhance productivity. 8-6

Research and innovation policy partly supports innovations that foster the creation of new products and enhance productivity. 5-3

Research and innovation policy has largely failed to support innovations that foster the creation of new products and enhance productivity. 2-1

S 18.1 Education policy

To what extent does education policy in your country deliver high-quality, efficient and equitable education and training?

This question assesses the extent to which a government's education policy facilitates high-quality learning that contributes to personal development, sustainable economic growth and social cohesion.

Your response should focus on the following, irrespective of the education system's organization: the contribution of education policy towards providing a skilled labor force, the graduate output of upper secondary and tertiary education, and (equitable) access to education. While the latter pertains to issues of fairness and distributive justice, it also has implications for a country's international competitiveness as unequal education implies a waste of human potential.

Answer:

Education policy effectively delivers efficient and equitable education and training. 10-9

Education policy largely delivers high-quality, efficient and equitable education and training. 8-6

Education policy partly delivers high-quality, efficient and equitable education and training. 5-3

Education policy largely fails to deliver high-quality, efficient and equitable education and training. 2-1

Appendix III: Questions about the political structure and behavior of the OECD countries.

M 2.1 Strategic planning

How much influence does strategic planning have on government decision-making?

Organizational forms of strategic planning include planning units at the center of government and personal advisory cabinets for ministers or the president/prime minister or extra-governmental bodies.

An indicator of influence may be the frequency of meetings between strategic planning staff and the head of government. Please substantiate your assessment with empirical evidence.

Answer:

Dominant influence. 10-9

Considerable influence. 8-6

Modest influence. 5-3

No influence. 2-1

M 2.3 Scientific advice

How influential are non-governmental academic experts for government decision-making?

An indicator of influence may be the frequency of meetings between government and external academic experts. Please substantiate your assessment with empirical evidence.

Answer:

Dominant influence. 10-9

Considerable influence. 8-6

Modest influence. 5-3

No influence. 2-1

M 3.1 GO expertise

Does the government office / prime minister's office (GO / PMO) have the expertise to evaluate ministerial draft bills substantively?

This question examines whether the government office (referred to in some countries as the prime minister's office, chancellery, etc.) has capacities to evaluate the policy content of line ministry proposals.

Answer:

The GO / PMO has comprehensive sectoral policy expertise and provides regular, independent evaluations of draft bills for the cabinet / prime minister. These assessments are guided exclusively by the government's strategic and budgetary priorities. 10-9

The GO / PMO has sectoral policy expertise and evaluates important draft bills. 8-6

The GO / PMO can rely on some sectoral policy expertise, but does not evaluate draft bills. 5-3

The GO / PMO does not have any sectoral policy expertise. Its role is limited to collecting, registering and circulating documents submitted for cabinet meetings. 2-1

M 3.2 GO gatekeeping

Can the government office/prime minister's office return items envisaged for the cabinet meeting on the basis of policy considerations?

Please assess whether the GO/PMO is de facto, not only legally, able to return materials on the basis of policy considerations.

Answer:

The GO/PMO can return all/most items on policy grounds. 10-9

The GO/PMO can return some items on policy grounds. 8-6

The GO/PMO can return items on technical, formal grounds only. 5-3

The GO/PMO has no authority to return items. 2-1

M 3.3 Line ministries

To what extent do line ministries have to involve the government office/prime minister's office in the preparation of policy proposals?

Please assess whether line ministries involve the GO/PMO de facto, not only legally, in the preparation of policy proposals.

Answer:

There are interrelated capacities for coordination in the GO/PMO and line ministries. 10-9
The GO/PMO is regularly briefed on new developments affecting the preparation of policy proposals. 8-6

Consultation is rather formal and focuses on technical and drafting issues. 5-3

Consultation occurs only after proposals are fully drafted as laws. 2-1

M 3.5 Senior ministry officials

How effectively do senior ministry officials prepare cabinet meetings?

This question examines whether senior ministry officials (leading civil servants or political appointees including junior ministers below the cabinet level) effectively filter out or settle issues so that the cabinet can focus on strategic policy debates.

Please assess whether senior ministry officials are de facto, not only legally, able to prepare cabinet meetings.

Answer:

Most issues arrive in time to be reviewed and scheduled first by/for the senior ministry officials (i.e., more than 70 percent of cabinet agenda items are prepared). 10-9

Many of the issues are prepared by senior ministry officials (i.e., 50-70 percent of cabinet agenda items are prepared). 8-6

There is some preparation of cabinet meetings by senior ministry officials (i.e., less than 50 percent of cabinet agenda items are prepared). 5-3

There is no or hardly any preparation of cabinet meetings by senior ministry officials. 2-1

M 5.1 Mobilizing public support

To what extent does the government consult with trade unions, employers' associations, leading business associations, religious communities, and social and environmental interest groups to support its policy?

This question assesses how successfully the government consults with economic and social actors in preparing its policy. Successful consultation is conceived here as an exchange of views and information that increases the acceptance of government policies in society and induces economic and social actors to support them.

Answer:

The government successfully motivates economic and social actors to support its policy. 10-9

The government facilitates the acceptance of its policy among economic and social actors. 8-6

The government consults with economic and social actors. 5-3

The government hardly consults with any economic and social actors. 2-1

M 6.1 Coherent communication

To what extent does the government implement a coherent communication policy?

This question asks whether a government "speaks with one voice."

Answer:

The government effectively coordinates the communication of ministries; ministries closely align their communication with government strategy. 10-9

The government seeks to coordinate the communication of ministries through consultation procedures.

Contradictory statements are rare, but do occur. 8-6

The ministries are responsible for informing the public within their own particular areas of competence; their statements occasionally contradict each other. 5-3

Strategic communication planning does not exist; individual ministry statements regularly contradict each other. 2-1

M 9.2a Ministerial compliance

To what extent does the organization of government ensure that ministers do not seek to realize their self-interest but face incentives to implement the government's program?

Organizational devices providing incentives for ministers include prime ministerial powers over personnel, policies or structures, coalition committees, party summits, comprehensive government programs/coalition agreements and cabinet meetings.

Answer:

The organization of government successfully provides strong incentives for ministers to implement the government's program. 10-9

The organization of government provides weak incentives for ministers to implement the government's program. 8-6

The organization of government partly prevents ministers from realizing departmental self-interests. 5-3

The organization of government fails to prevent ministers from realizing departmental self-interests. 2-1

M 9.2b Monitoring line ministries

How effectively does the government office / prime minister's office monitor line ministry activities?

This question assumes that effective delegation from the core executive to ministries is reflected in the monitoring of line ministry activities by the administration of the core executive. While such monitoring is not sufficient to prevent line ministries from prioritizing sectoral over government interests, the presence or absence of monitoring is taken here as a proxy of effective delegation policies.

Answer:

The GO / PMO effectively monitors the activities of line ministries. 10-9

The GO / PMO monitors the activities of most line ministries. 8-6

The GO / PMO shadows the activities of some line ministries. 5-3

The GO / PMO does not monitor the activities of line ministries. 2-1

M 9.2c Monitoring agencies

How effectively do ministries monitor the activities of executive agencies?

An effective implementation may be constrained by bureaucratic drift. To ensure that agencies act in accordance with government policies, this question assumes that ministries and their leading officials should monitor the activities of semiautonomous executive agencies in their task area.

In federal states with few executive agencies at the central level of government, the assessment should also consider regional-level decentralized agencies acting on behalf of the federal government.

Answer:

The ministries effectively monitor the activities of all executive agencies. 10-9

The ministries monitor the activities of most of the executive agencies only. 8-6

The ministries monitor the activities of some executive agencies. 5-3

The ministries do not monitor the activities of executive agencies. 2-1

M 14.8 Obtaining documents

Are parliamentary committees able to ask for government documents?

Please assess whether parliamentary committees are de facto, not only legally, able to obtain the documents they desire from government. Specify if you consider the rights of committees limited.

This question considers regular parliamentary committees only, not committees established ad hoc to investigate specific questions.

Answer:

Parliamentary committees may ask for most or all government documents; they are normally delivered in full and within an appropriate time frame. 10-9

The rights of parliamentary committees to ask for government documents are slightly limited; some important documents are not delivered or are delivered incomplete or arrive too late to enable the committee to react appropriately. 8-6

The rights of parliamentary committees to ask for government documents are considerably limited; most important documents are not delivered or delivered incomplete or arrive too late to enable the committee to react appropriately. 5-3

Parliamentary committees may not ask for government documents. 2-1

M 14.9 Summoning ministers

Are parliamentary committees able to summon ministers for hearings?

Please assess whether parliamentary committees are de facto, not only legally, able to summon ministers to committee meetings and to confront them with their questions. Please specify if you consider the rights of committees limited.

This question considers regular parliamentary committees only, not committees established ad hoc to investigate specific questions.

Answer:

Parliamentary committees may summon ministers. Ministers regularly follow invitations and are obliged to answer questions. 10-9

The rights of parliamentary committees to summon ministers are slightly limited; ministers occasionally refuse to follow invitations or to answer questions. 8-6

The rights of parliamentary committees to summon ministers are considerably limited; ministers frequently refuse to follow invitations or to answer questions. 5-3

Parliamentary committees may not summon ministers. 2-1

M 14.10 Summoning experts

Are parliamentary committees able to summon experts for committee meetings?

Please assess whether parliamentary committees are de facto, not only legally, able to invite experts to committee meetings. Please specify if you consider the rights of committees limited.

This question considers regular parliamentary committees only, not committees established ad hoc to investigate specific questions.

Answer:

Parliamentary committees may summon experts. 10-9

The rights of parliamentary committees to summon experts are slightly limited. 8-6

The rights of parliamentary committees to summon experts are considerably limited. 5-3

Parliamentary committees may not summon experts. 2-1

M 15.3a Association competence

To what extent do interest associations propose reasonable policies?

"Reasonable" policy proposals identify the causes of problems, rely on scholarly knowledge, are technically feasible, take into account long-term interests and anticipate policy effects. These

criteria are more demanding than the criteria used to evaluate party programs as interest associations can be expected to represent a specialist, substantive policy know-how.

The assessment should focus on the following interest associations: employers' associations, trade unions, leading business associations, religious communities, environmental and social interest groups.

Answer:

Most interest associations propose reasonable policies. 10-9

Many interest associations propose reasonable policies. 8-6

Few interest associations propose reasonable policies. 5-3

Most interest associations do not propose reasonable policies. 2-1

M 15.3b Association relevance

To what extent are the proposals of interest associations considered relevant by the government?

The political impact of interest associations does not only depend on their size or power. It is assumed here that impact is also a function of the quality of public communication organized by an interest association.

The assessment should focus on the following interest associations: employers' associations, trade unions, leading business associations, religious communities, environmental and social interest groups.

Answer:

Most interest association proposals are considered highly relevant by the government. 10-9

Many interest association proposals are considered relevant by the government. 8-6

Few interest association proposals are considered relevant by the government. 5-3

Most interest association proposals are not taken seriously by the government. 2-1

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