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May 2018

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## **Policy Dismantling**

### **Publication Details:**

Andrew Jordan, Michael W. Bauer and Christoffer Green-Pedersen, 2013:  
Policy Dismantling, in: Journal of European Public Policy, Vol. 20, No. 5, 795-  
805.

## **Abstract**

The analysis of policy change has so far concentrated on the assessment and explanation of different degrees of change. The distinctions between radical versus incremental, path-breaking versus path-dependent or self-reinforcing versus reactive sequences have dominated the debate while the precise direction of policy change has rarely been taken into account. This article therefore concentrates on the extent to which policy change implies a “reduction”, “decrease” or “diminution” of existing policy arrangements. It conceives of this direction of policy change as “policy dismantling”. In developing analytical tools to identify and explain policy dismantling, the article aims to elucidate some of the causes, conditions and strategies of policy dismantling and to establish policy dismantling as a distinct category of policy change.

Keywords: policy change; policy dismantling; policy termination; policy density; policy intensity; policy output; political dismantling strategies

## Introduction

The analysis of policy change is a core area in the literature on public policy (Sabatier and Jenkins-Smith 1993; Capano 2009; Howlett and Cashore 2009). Numerous studies have been carried out on policy change, featuring a variety of approaches and concepts regarding the measurement of change. Nonetheless, a closer look at this ever-growing literature reveals interesting general patterns with respect to the dominance of certain research perspectives and research questions addressed in this context. More specifically, a certain selectiveness in research attention becomes apparent, in the sense that some issues are predominantly addressed, while other analytical dimensions of policy change remain somewhat neglected.

A first aspect that emerges on closer inspection of the literature is the fact that questions regarding the measurement of change are generally discussed as a secondary issue, with the main focus of research resting on the theoretical explanation of change. In other words, scholars usually concentrate on factors that potentially cause policy change, but invest only limited effort in discussing the issue of measuring change in the first place. This lack not only creates problems when it comes to comparing the results of studies that have adopted different measurement concepts, but also overlooks the potential theoretical consequences associated with the use of different yardsticks and concepts for the empirical assessment of change. For instance, depending on the measurement scale, the same change phenomenon might be classified as either radical or incremental. The privatisation of state-owned utilities might appear dramatic from an individual or organisational perspective and might even constitute a “sectoral revolution”; at the same time, however, the nature of the reform may remain in line with the legal and administrative traditions of the country in question and, on this basis, be judged as incremental or less significant (see Knill and Lenschow 2001). It is obvious that the way change is assessed can affect our theoretical conclusions, and yet this problem is rarely made explicit.

A second problem relating to the assessment of policy change is the potential selection bias in favour of individual instances of change in policy fields that have received a high degree of public attention. The risk of this issue-centred perspective is that other policies that have also undergone change may be overlooked. In other words, we find very few studies investigating policy change from an aggregate perspective and hence taking stock of developments in whole policy fields rather than exclusively focusing on more or less arbitrarily selected individual policy issues.

Third, we find a broad variety of indicators used to identify policy change. In this context, a major distinction can be made between indicators referring to policy outputs and those referring to policy effects. With regard to policy outputs, the focus is on different dimensions of the content of a policy as it becomes apparent in governmental or legislative decisions, including, for instance, policy instruments or the concrete calibration of those instruments (policy settings). Turning to policy effects, the focus is on the outcomes or the impacts of public policies. Policy outcomes refer to behavioural change on the side of the policy addressees. Typical indicators include, for instance, public expenditure levels (such as welfare spending), the setting up of administrative structures for the proper implementation and enforcement of regulatory measures, and the compliance of the regulated actors. Policy impacts, by contrast, measure the extent

to which policy goals have been achieved (e.g. the reduction of environmental pollution or social poverty). If the focus is on effects rather than outputs, policy change is usually assessed in a more indirect way. Changes in governmental activities are measured by changes in effects and hence are based on the assumption that there is always a clear and direct link between changes in outputs and the respective effects. Quantitative analyses, especially, tend to pursue this approach and hence apply a rather indirect proxy for the explanation of governmental activities. Such an approach might entail severe validity problems under certain circumstances because changes in effects can actually occur without previous changes in policy outputs, and vice versa (Green-Pedersen 2004; Starke 2006; Knill et al. 2012).

Finally, the analysis of policy change has so far primarily concentrated on the assessment and explanation of different degrees of change. The distinction between different orders of change (Hall 1993; Sabatier and Weible 2007) - that is to say, radical versus incremental (Baumgartner and Jones 1993), path-breaking versus path-dependent (Thelen and Steinmo 1992) or self-reinforcing (Pierson 2000; Hacker 2004) versus reactive sequences (Mahoney 2000; Streeck and Thelen 2005; Mahoney and Thelen 2010) - lies at the heart of the debate, regardless of the specific theoretical perspective adopted. However, the precise direction of policy change has so far only rarely been systematically taken into account (Capano 2009; Howlett and Cashore 2009).

This is not to say that there are no concepts in the literature to analyse the direction of policy change. Indeed, many studies of processes of liberalisation and deregulation of public sector industries could be interpreted as studies of dismantling. In the same way, in particular the studies on welfare state retrenchment systematically focus on the direction of policy change (see below for a broader assessment of this research tradition). However, these approaches generally concentrate on the direction of change by focusing on policy effects (e.g. the reduction of welfare state expenses or public spending) rather than policy outputs. It is exactly this latter aspect that builds the core of our analytical considerations. More specifically, we are interested in the question whether policy change goes along with an increase or decrease of a government's policy commitment in a certain policy sector, measured in terms of both the number of policies and instruments adopted in a certain field (policy density) and the setting of these instruments (what we refer to as policy intensity, see below).

Our analytical interest is hence on the question if and to what extent governments engage in the dismantling of policy outputs. To this end, we concentrate on the extent to which policy change implies a "reduction", "decrease" or "diminution" of existing policy outputs. We thus have a certain constellation in mind and we conceive of this direction of policy change as "policy dismantling". To focus on "dismantling" is not to deny the importance of policy expansion or of potential trade-offs between expansion and dismantling. It is, however, the "dismantling side" of analysing policy change that has been particularly neglected. In other words, we conceive of policy dismantling as a particular type of policy change characterised by a government's policy commitment in a given policy field.

We should emphasise that by focusing on policy dismantling we do not necessarily assume that policies are always and generally reversible. Policy reversibility is still a debated issue in the literature. Its possibility strongly depends on the underlying theoretical perspective on policy change. For instance, self-reinforcing forms of path-dependency, by definition, exclude the return to the policy status quo ante, while this

option is theoretically feasible in reactive forms of path-dependency (see Capano 2009). Yet the issue of policy reversibility is distinct from our dismantling perspective, insofar as we are merely interested in the decrease or reduction of policy commitment. Whether such patterns coincide with policy reversals or not is beyond the analytical scope of this paper.

In concentrating on dismantling, we thus aim to elucidate some of the causes, conditions and strategies of a distinctive pattern of change that so far has not been incorporated into more general accounts of policy change. We thus see a focus on policy dismantling not as an alternative but as an important complement to studies on policy change. At the same time, we propose a differentiated concept for measuring policy dismantling that enables comparative assessment of policy outputs across policy fields and countries.

The remainder of this article is structured as follows. First, we briefly revisit the literature on policy termination and on the welfare state as the two pertinent reference points for a discussion of phenomena of policy dismantling. Then we propose our own measurement concept for policy dismantling. Based on these clarifications regarding the measurement of policy dismantling, we investigate possible explanations by discussing potential causes and strategies of policy dismantling. It is important to note that the development of these policy dismantling strategies is only possible in a broader frame of conceptualising policy dismantling. Our analytical starting point is thus what we see as the central puzzle of policy dismantling from a political science perspective: under which conditions do politicians engage in potentially painful dismantling policy-making? We are conscious that what follows is a theoretical and analytical exercise. To convince our readers of its relevance for understanding real-world policy-making, we support our theoretical claims with some empirical examples taken from other research. It is clear that these few examples are not a “test” of our arguments. We hope, however, that our empirical references will serve as illustrations for the plausibility of the differentiations we develop. Accordingly, we do not end this article with a conclusion but with a summary of our main ideas and with perspectives for further research in the neglected area of policy dismantling.

## **Related Debates: Policy Termination and Welfare-State Retrenchment**

The policy analysis literature is vague, largely mute and conceptually inconclusive about “policy dismantling”. There are only two areas of literature that cover phenomena of policy dismantling at least to some extent work on policy termination and studies on welfare state dismantling. We will briefly review each in turn (see Jordan et al. 2012, 2013).

The policy termination school emerged with Brewer (1978) and his associates (Bardach 1976). These scholars saw policy termination (i.e. the complete removal or “death” of existing policies) as the final step in Harold Lasswell’s attempt to understand the entire policy cycle (Behn 1978; deLeon 1978: 286ff.). Over the years, the termination literature has produced a number of case studies but few analytical improvements as regards the substance of the approach. The termination studies showed how rare the complete abandonment or termination of a policy actually is.

However, the conceptual and empirical work that emerged did not have a deep or lasting impact on the policy analysis community, let alone on the grand debates in political science, in general. In particular, the dominance of single case-study designs (with their well-known limitations as regards theory development) and the lack of dialogue with other research agendas meant that this research topic remained relatively isolated (Daniels 1997). At any rate, termination research, for all its merits, did not fertilise a broader research agenda (Bauer 2006), notwithstanding fruitful attempts of some scholars to develop a broader research agenda (see, for instance, Geva-May 2004).<sup>1</sup>

While analytical progress in the literature on policy termination hence remained fairly limited, that on the welfare state was more successful. It was the work of Paul Pierson, in particular, that produced the term “dismantling”, which was coined in his famous book *Dismantling the Welfare State* (Pierson 1996, 2000, 2001, 2004; for reviews, see Starke 2006; Levy 2010; Green-Pedersen and Haverland 2002). Policy dismantling is presented as something that political actors have to pursue in order to cope with external “permanent austerity” pressures (Pierson 2001: 13). Later, the roles of globalisation and international regulatory competition (chiefly within the EU) were also investigated and the underlying motivators teased out (Knill et al. 2009). Weaver (1986: 387), for example, hypothesised that dismantling could allow politicians to engage in scapegoating or other multi-level blame-avoidance games. In general, politicians seem to “retrench” when the alternatives are perceived to be worse, or when the effects can be hidden via phased cutting (Vis and van Kersbergen 2007). It was also shown that existing policy design (Pierson 1994:

47-50) is an important aspect of dismantling. Indeed, in his conceptualising of the “policy design” problematic Pierson already implied a theoretical argument of a dismantling approach as we suggest it in this article (see Green-Pedersen et al. 2012). For example, policies that incorporate indexation rules can be more quickly tweaked to cut spending than those that require more significant (and hence higher-profile) legislative changes. Meanwhile, it is well known that the vertical and horizontal distribution of authority hinders the expansion of policy (policy innovation generally declines as the number of veto points increases); however, in “hard times”, when policy dismantling is often presumed to be higher up on the political agenda, the relationship may work in the other direction (Pierson 1994: 36, 39). Moreover, Pierson argued that politicians would be driven to employ strategies that avoided or otherwise dissipated blame (also see Taylor-Gooby 1999; Häusermann 2010; Hood 2011). Subsequent empirical work revealed, however, that when they were actually used, many of the strategies were less effective than originally envisaged. In addition to intense opposition from particular beneficiaries, sympathetic implementing officials found imaginative ways to evade cuts.<sup>2</sup>

It is impossible to do proper justice to the advancement of welfare-state literature in this section. What can be said from our perspective is that it is certainly most advanced in terms of exploring what policy dismantling actually means and how mechanisms to implement it function. However, dismantling was never developed as a “general” concept for comprehending policy change; it always remained a device for

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<sup>1</sup> This argument closely follows Bauer (2006) and Jordan et al. (2012).

<sup>2</sup> This argument has been developed in various publications related to the CONSENSUS project. See, for instance, Knill et al. (2010, 2012), Bauer and Knill (2012), and Jordan et al. (2012).

understanding welfare change alone. What is more, no systematic definition that could guide empirical analysis was ever developed. In other words, what has been criticised as the “dependent-variable” problem in social policy research in general (Green-Pedersen 2004) remains particularly acute if the direction of change in terms of “reduction”, “decrease” or “diminution” of existing policy is taken into account. In short, the limitations of existing approaches to the study of policy change in terms of policy dismantling emerge from distinctive theoretical and analytical interests that are inherent to different research perspectives. Against this backdrop, the question that arises is whether there are alternatives that approach policy dismantling more convincingly, both conceptually and methodologically. The following sections are devoted to these questions.

## **Measuring Policy Dismantling: An Aggregate Analysis of Policy Outputs**

Three considerations guide our proposal for conceptually and methodologically improving the study of policy dismantling. First, policy change should principally be measured on the basis of policy outputs. Hence, it is the legislative record of countries rather than the broader effects of legislative activity that serves as the major analytical starting point. We do not consider policy outcomes because these are usually affected by a number of intervening variables and thus can only be indirectly related to the causal mechanisms triggering domestic policy change (Holzinger and Knill 2008). Second, the selective focus on individual regulatory issues or policies should be renounced in favour of a more comprehensive perspective that conceives of policy changes as changes in entire policy fields. According to this perspective, policy change is related to a whole range of different items in a certain thematic sector, such as environmental policy, social policy, economic policy or fiscal policy. Used in this way, the term “policy” encompasses more than one legal act or a political programme and refers, instead, to the whole universe of legal and administrative activities that are thematically related to a distinct policy field. Third, biased assessments of change towards either expansion or dismantling are avoided by taking account of developments in both directions.

Having taken these basic decisions on indicators of policy change, we still have to clarify the reference points along which change and, in particular, its direction (dismantling versus expansion of policies) are assessed. We therefore propose a conception of policy change and, more specifically, policy dismantling, in accordance with two dimensions, namely policy density and policy intensity (see Knill et al. 2012).

We select these two dimensions in order to measure the change of a government’s policy commitment in a given field. From an analytical point of view, policy commitment with regard to the output dimensions is based on two pillars. On the one hand, policy commitment is a function of the breadth of governmental intervention. How broadly is the government involved? How many policy issues or items are tackled? How many instruments are employed in order to achieve political objectives? On the other hand, commitment becomes apparent in the level – or what we refer to as intensity of intervention. How ambitious are the settings of the underlying policy instruments? How strictly do governments regulate? How generous are governmental service levels defined?

With policy density we refer to the extent to which a certain policy area is addressed by governmental activities. The concept of policy measures the extent of regulatory penetration internal differentiation of a policy field. To assess changes in policy density over time, we suggest two indicators: the number of policies and the number of policy instruments that are applied. We refer to these two indicators as “policy density” and “instrument density”.

In contrast to policy density that merely assesses the breadth and differentiation of legislative activity, the concept of policy intensity measures the relative strictness and/or generosity of policies. A decrease in policy intensity indicated that a jurisdiction is intervening less intensively in a given issue area, typically as a result of the application of policy dismantling strategies. To measure changes in policy intensity, we differentiate between substantial and formal intensity.

Substantial intensity refers to the level as well as the scope of governmental intervention. The level refers to the setting of particular policy instruments, such as benefit levels in relation to certain welfare policies. In this context, the measurement of the change direction could also depend on the nature of the policy area in question. In the case of tax rates, for instance, a reduction of setting levels indicates policy dismantling, while a lowering of emission standards for certain environmental pollutants can be interpreted as policy expansion, given the fact that environmental policies are becoming stricter.

With regard to substantial levels of regulation, respective changes might not only emerge from “positive” policy decisions, but also from non-adjustments to changing socioeconomic conditions or technological progress. For instance, non-adjustments may amount to dismantling if politicians refrain from increasing welfare rates despite high inflation. Another example is the retention of limit values for the emission of pollutants into the air despite the availability of cleaner abatement technologies.

Substantial intensity is also defined by the scope of intervention. The scope generally decreases in line with reductions in the number of cases or target groups addressed by a certain policy. For example, how many factories emitting pollution does a particular environmental policy address? Or at what age are people eligible for retirement benefits?

Formal intensity primarily refers to the factors affecting the probability that substantial requirements are effectively achieved. In this regard, both administrative capacities and administrative procedures are of particular importance. A first determinant of formal intensity refers to financial, personnel and organisational resources of the administrative authorities in charge of implementation. By withdrawing these resources, governments could in effect be engaging in dismantling, hence tacitly accepting, for instance, deficits in monitoring and enforcing substantial policy requirements. However, not only administrative capacities, but also procedures are required for the proper implementation of policies. Such procedures, for instance, refer to the extent to which all actors affected by a certain regulation have the possibility of participating in regulatory decisions. But it should also be noted that extending participation is a well-known way to share out the blame for cuts. Table 1 summarises our conceptualisations.

Table 1. Conceptualising policy dismantling

Dimension		Indicators (and explanation)
Policy density	Policy item density	Change in the number of policies in a given policy field over time
	Instrument density	Change in the number of instruments in a given policy field over time
Policy intensity	Substantial intensity	Number and degree of changes in instrument settings (“positive” adjustments and non-adjustments) with regard to regulatory stringency or service generosity
	Formal intensity	Instrument scope Number of changes in administrative and procedural capacities

Source: Bauer and Knill (2012: 36; see also Knill et al. 2010).

Against this background, we can now define policy dismantling as a policy change that reduces the number of policy items as well as the number of policy instruments applied in a particular area and/or lowers their intensity.<sup>3</sup> It can involve changes to these core elements of policy and/or it can be achieved by manipulating actors’ capacities to implement and supervise them.

To illustrate our measurement concept, we take a brief look at empirical data on environmental and social policy change in 24 OECD countries. We select these two policy areas to grasp two fields representing different policy types. While environmental policy reflects the classical type of regulatory policy, social policy is shaped by the dominance of re-distributional conflicts. Although our basic purpose is to illustrate our measurement approach, the comparison of different policy types offers a basic descriptive impression with regard to differences in dismantling patterns across different policy areas.

The subsequent figures show the development of policy density and policy intensity across all countries over a period of 30 years (1976–2005). For environmental policy, the measurement is based on the three subfields of air pollution, water protection and wildlife protection. For social policy, the data encompass child benefits as well as pension and unemployment policies (Figures 1 and 2).<sup>4</sup>

The figures reveal, first of all, that policy dismantling is indeed a real-world phenomenon. Albeit less pronounced than policy expansion, policies are indeed dismantled and terminated, notwithstanding the fact that this might be a politically highly unpopular endeavour. Second, we see that dismantling is overall more pronounced in the social than in the environmental field. This might be the result of saturation effects, which would imply that expansion in the relatively young field of environmental policy is more

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<sup>3</sup> If market-based instruments are abolished and new command and control instruments are introduced, then the policy may become stricter as a whole. Therefore, in order to follow our analytical framework, additional assumptions are sometimes needed for the conclusion that “reduction of policy instruments” is equal to policy dismantling.

<sup>4</sup> The data were collected as part of the project “Confronting Social and Environmental Sustainability with Economic Pressure: Balancing Trade-offs by Policy Dismantling? (CONSENSUS)”, which has been financed under the 7th Framework Programme of the European Commission. For further information on the project and the data collection, see <http://www.fp7-consensus.eu>.

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Figure 1. Changes in environmental and social policy density

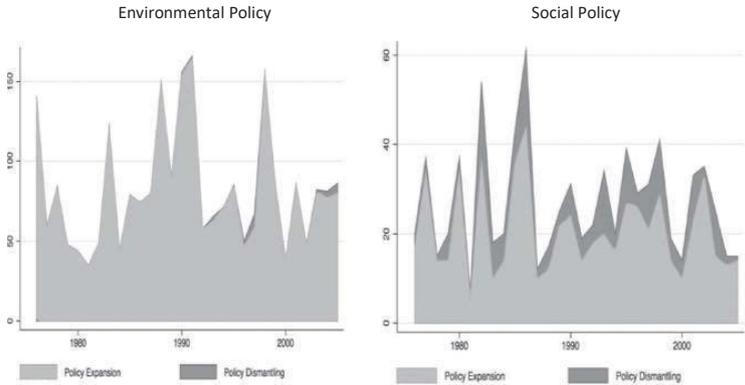
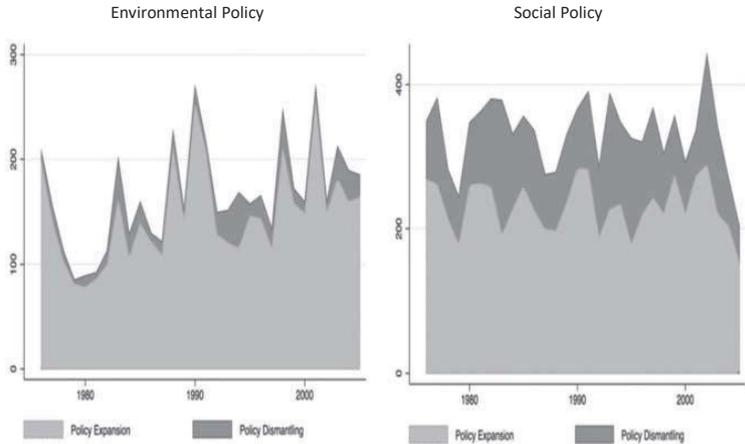


Figure 2. Changes in environmental and social policy intensity



The figures reveal, first of all, that policy dismantling is indeed a real-world phenomenon. Albeit less pronounced than policy expansion, policies are indeed dismantled and terminated, notwithstanding the fact that this might be a politically highly unpopular endeavour. Second, we see that dismantling is overall more pronounced in the social than in the environmental field. This might be the result of saturation effects, which would imply that expansion in the relatively young field of environmental policy is more pronounced than in more established areas of social policy. Moreover, the fiscal consequences of changes in governmental social spending render the latter area more vulnerable to the overall economic situation of a country, implying that economic decline becomes more directly visible in the presence of dismantling activities. In environmental policy, by contrast, the costs of stricter regulation primarily lie with the private rather than the public sector.

A final pattern that can be observed from this aggregate analysis is that policy dismantling is generally more pronounced for the intensity dimension than for the density dimension. A potential explanation for this phenomenon might be that – assuming that dismantling per se is politically rarely rewarding – its visibility is lower in

the event of adjustments in the calibration of instruments rather than the abolition of complete instruments or policies. Reductions in child benefits are more “digestible” for the affected voters than the complete termination of the policy.

### **Explanation: Why Do Politicians Engage in Policy Dismantling?**

Taking the above definition and the measurement suggestions regarding policy dismantling as the dependent variable, a great range of specific research questions could be raised. For example, the role of private actors or of courts in the dismantling game could be studied; equally, the multilevel problematic – that is, the involvement of actors from vertically interconnected constituencies – is likely to be of interest. In our eyes, however, one of the crucial questions concerns the preferences of politicians with respect to dismantling decisions. How can we conceive of politicians’ dismantling preferences? More specifically, why and when can we expect politicians to be motivated to engage in dismantling when common sense and a great deal of the existing literature imply that most of the time they should not (Pal and Weaver 2003; Weaver 2011)?

Before addressing this question, two broader points need to be made. First of all, we assume that politicians have a “meta-preference” to stay in office – in other words, to become and to stay elected. However, politicians’ situational preferences may be different in specific circumstances and may also vary in the face of other actors’ diverging preferences and given particular external or institutional conditions. We argue that in such situations, policy dismantling decisions, like other policy decisions, can be understood by focusing on the political costs and benefits they generate for political decision-makers, namely elected politicians holding posts in national governments.

Second, it should be emphasised that these costs and benefits refer to the respective perceptions held by political actors rather than objective indicators; in other words, the crucial point is how political actors perceive and evaluate the potential political costs and benefits of policy dismantling in the light of other actors’ preferences (Lowi 1964: 707). Thus, perceived political costs and benefits should be distinguished from the social costs and benefits that are generated when policies are actually dismantled (effects). The latter, of course, refer to the extent to which adopted dismantling activities actually affect the costs and benefits experienced by societal actors via changes in policy outputs, impacts and eventually outcomes.

In order to explain why politicians might be interested in engaging in policy dismantling, two basic scenarios can be distinguished. On the one hand, it is conceivable that policy dismantling is associated with political benefits that are thought to outweigh the associated costs. In this scenario, politicians would have a strong preference to engage in dismantling activities that are highly visible and clearly attributable to them (i.e. on the basis of credit claiming, or what is also termed turning “vice into virtue”) (Levy 1999). This might be because the political benefits are concentrated on a few critical political actors - namely the decision-makers and their key constituents - rather than being distributed across a larger number of actors within the political system (potentially even including opposition parties and/or coalition parties in government).

On the other hand, dismantling might be perceived as being politically beneficial to politicians insofar as the costs of not dismantling are likely to be higher than the costs of dismantling. This second scenario is more likely in situations in which politicians are confronted with conflicting goals and thus have to make difficult decisions (policy dismantling as a “lesser evil”) (cf. Giaimo and Manow 1999: 993).<sup>5</sup> Consider, for instance, a constellation in which political success is strongly associated with the reduction of unemployment. Under normal economic circumstances, employment rates are assumed to increase when unemployment benefits are reduced (Katz and Meyer 1990; Schäfer 2003: 39). In this situation, politicians either face the negative impact of rising unemployment (in which case, why not leave the benefits unchanged?) or political opposition (and hence electoral costs) from those losing their benefits. Both effects entail political costs, and the question that presumably vexes politicians is which option to select – a choice that will strongly depend on the perception of these costs by the respective political actors, including but not limited to decision-makers. Assuming, however, that in this second scenario the political costs generally exceed the political benefits, politicians will have a strong incentive to rely on dismantling strategies that reduce the political costs by hiding the effects of dismantling or at least escaping a great deal of the political blame for them. In this way, the net political cost of dismantling can be reduced to the point where it does not undermine electoral chances and/or policy goals.

Our general assumption throughout is that actor behaviour is bounded rationality (Simon 1959); political actors select dismantling strategies to maximise their utility in a certain political opportunity structure (i.e. comprising institutional opportunities and constraints, as well as the objectives and strategies of the other actors involved), as well as in the specific situational context. Put simply, politicians’ behaviour will emerge out of the interplay between the things they want (policy achievements, re-election, etc.) and other actors’ perceived strategies and external constraints (permanent austerity, international regulatory pressures, technological changes, etc.). It is also likely that in their individual assessments of the costs and benefits of dismantling, political actors will display certain cognitive biases, especially in constellations of high uncertainty. As prospect theory – that is concerned with the distribution of externally imposed costs – reminds us, the thought of losing may have a disproportionate impact on people’s cognitions compared to an equivalent gain. Pierson referred to this as a “negativity bias” (2001: 413). He and others have mostly considered this phenomenon in relation to policy beneficiaries, but in principle it could just as easily apply to politicians and other actors, too.

Finally, focussing on politicians’ preferences should not lead us to forget that dismantling decisions – like all political decisions – are influenced by the common institutional constraints and opportunities deriving from the specific logic of the political system in which such decisions are taken. External factors like the prevailing macro conditions (stability of the financial system, technological change, the spread of certain ideas to reform the public sector, etc.) and situational factors (external shocks such as election cycles) are also important. Figure 3 visualises our considerations.

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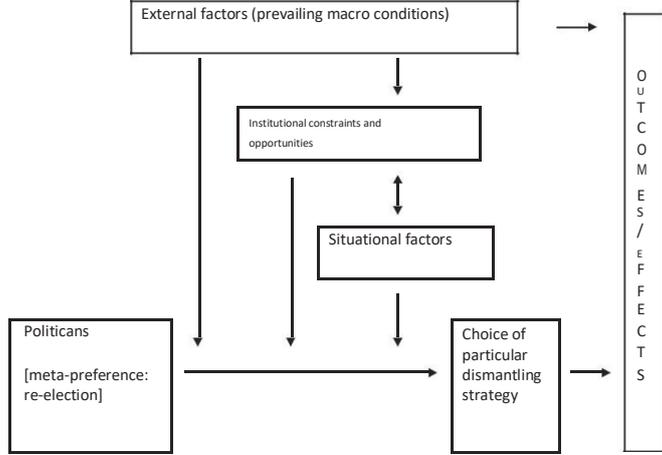
<sup>5</sup> Like Vis and van Kersbergen (2007), this section draws on prospect theory. Engaging in a wholesale review of prospect theory goes beyond our analytical scope, but would in our eyes be a fruitful path to follow.

# Strategies of Policy Dismantling

Having considered why politicians might have a basic preference to dismantle, we still have to understand which strategies they select to engage in concrete policy dismantling actions. We think of a dismantling strategy as a certain mode, method or plan chosen to bring about a desired dismantling effect.

Depending on the specific constellation of factors affecting the political preference and the political capability to pursue policy dismantling, governments might choose radically different strategies to realise their preferences. We develop four ideal-type dismantling strategies that seek to shed light on these possible interactions, which rest on a number of central assumptions. In so doing, we are mainly interested in the strategies used by politicians to pursue their preferences, as opposed to those employed by other actors to block or otherwise impede dismantling (see, e.g., Pal and Weaver 2003: 28–29).

Figure 3. Analytical framework for the explanation of policy dismantling



*When do politicians engage in policy dismantling?*

*If politicians engage in policy dismantling, which strategy do they choose?*

Source: Bauer and Knill (2012: 32).

The four ideal types differ along two main dimensions. First, they vary in the extent to which a political decision to dismantle is actively and consciously taken or not. At one extreme, politicians may take a very clear and conscious decision to dismantle, based on a strong interest in doing so. At the other, the cost–benefit calculus may be more finely balanced, in which case the interest in dismantling may be far weaker. Then politicians may opt for a more “passive” approach – in other words, they choose to let things go their own way (Bachrach and Baratz 1962; Hancher and Moran 1989: 132). For example, they may decide not to update policies to meet changing demands – a kind of deliberate neglect. Second, they will differ in the extent to which political actors wish to hide or reveal their dismantling activities. At one extreme, they may, as noted above, prefer to hide the imposition of losses; at the other, they may wish to maximise

their visibility so as to appeal to certain constituencies (“vice into virtue”). The intersection of the two produces the following ideal types.

### **Dismantling by Default: No Dismantling Decision; Low Visibility**

The most subtle strategy of dismantling is the de facto reduction of, for instance, social service levels or environmental protection by refraining from adjusting existing levels to changing external conditions such as inflation or abatement costs. This strategy ensures generally low visibility because the absence of any decision attracts less political attention than potentially highly politicised debates on the design of concrete plans and methods to dismantle a certain policy. It seems a particularly feasible approach in constellations in which political actors consider dismantling to be a highly costly activity for them, or in which the expectation of far-reaching institutional constraints reduces the scope for more active forms of dismantling. We explicitly use the term “by default” instead of “non-decision” in order to emphasise that “by default” can be a deliberate decision of policy-makers. Dismantling by default is perhaps the most widespread political dismantling strategy. Examples are child benefits in Spain that for years have been consciously kept at an absolute minimum (Bianculli et al. 2012) and the non-indexation of social benefits in a number of northern European countries (Denmark, Sweden, Germany and the UK), even throughout a period of relatively high inflation (Green-Pedersen et al. 2012). Not indexing benefits to inflation is an obvious example of dismantling by default. Using this strategy has an element of “disguise” because in the case of social policy programmes offering cash benefits, not keeping up with inflation and real-wage growth can substantially reduce the value of benefits over longer time periods and is de facto a dismantling choice. Empirical analyses show that dismantling by default is quite common even in northern European “social-democratic” welfare states (Green-Pedersen et al. 2012: 254).

### **Dismantling by Arena-Shifting: Active Dismantling Decision; Low Visibility**

This strategy is characterised by the deliberate relocation of dismantling decisions to another political arena. This could mean manipulating the organisational or procedural bases of a policy in a given arena in order to change participation rights or organisational features which are likely to produce dismantling effects, thereby shifting the political game surrounding particular measures. Alternatively, a more comprehensive form of shifting would be to transfer the whole policy (possibly with a different budget) to a different arena such as another government level (i.e. decentralisation) or to (newly established) agencies (cf. Knill 2001). While arena-shifting generally implies that dis-mantling decisions are actually taken (although at a different institutional level), this may not be obvious to those actors who benefit from the policy in question. Hence, dismantling costs cannot be directly attributed to politicians. Recent examples can be found in the reform of German environmental administration at state level, where organisational reshuffling diminished the control of state agencies and thus appeared to have de facto lowered the quality of public services in that area (Bauer et al. 2007). For example, in the German state of Lower Saxony, a whole intermediate administrative level (“Regierungsbezirke”) between local

and state government was dissolved in 2005. The tasks of the Regierungsbezirke (and their personnel) were redistributed to local or other functional agencies. As a consequence, it appears that the shift of public control tasks from a medium-level to a local-level arena led to a scattered implementation of environmental protection and a de facto decrease in the intensity of pollution control regarding industrial activities (Ebinger 2009).

### **Dismantling by Symbolic Action: No Dismantling Decision; High Visibility**

This strategy seeks to ensure that any dismantling intention is clearly and directly attributed to political decision-makers. In other words, political actors very deliberately declare their intentions to dismantle existing policies. This behaviour is likely in constellations in which dismantling is rewarding for political actors in light of their preferences. At the same time, however, political declarations do not lead to respective outputs, and hence remain symbolic. This can be the result of high institutional constraints. Another explanation might be that the articulated and revealed preferences of the potentially affected political actors differ. In other words, they might respond to demands for dismantling from some groups but are not (yet) convinced that dismantling is politically advantageous overall. German packaging-waste policy provides examples of symbolic action in the context of dismantling attempts – a notoriously ineffective policy is kept alive for mainly party political reasons (Bernauer and Knill 2012).

### **Active Dismantling: Active Dismantling Decision; High Visibility**

The final strategy, by contrast, exhibits high visibility with a strong and clear preference to dismantle. Politicians may not only want to be perceived as dismantlers, they may actually really wish to dismantle existing policies. This was the case when the US administration under George W. Bush all but dismantled the “new source review”, a programme to control air pollution from large and stationary sources. The Bush administration’s radical decision enabled the energy-producing industry, in particular, to benefit from much lower standards of regulatory control of environmental policy requirements (Korte and Jörgens 2012). Again, the selection of this dismantling strategy might be triggered by many factors. Dismantling might be rewarding, not only because of political demands, but also because politicians are ideologically convinced that dismantling is the most appropriate solution. At the same time, the perception of few institutional constraints might facilitate the adoption of this strategy. Few constraints, however, should not be seen as a necessary condition for adoption; it is conceivable that institutional constraints are some-times overcome by compensating powerful losers of dismantling action who would otherwise have blocked it. Such compensations might entail dismantling in one area coexisting with expansion in others. As shown by Häusermann (2010), such developments can at the same time favour the emergence of new cleavages and advocacy coalitions that might reduce the resistance to potential dismantling activities. Another possibility is to adopt a sequence of incremental reforms that all point in the same (dismantling) policy direction.

In sum, we assume loss-sensitive, rational actors who choose their (dismantling) strategies in view of how best to reach their specific dismantling aims in the context of other actors' interests and resources and the institutional setting within which they all have to operate. Political actors may come to the conclusion that the benefits of engaging in dismantling exceed its political costs, that the costs of non-action exceed the costs of dismantling, or that the costs of dismantling exceed the costs of non-dismantling. Only in the latter case is the outcome easy to predict: no policy dismantling. In the former two cases (namely dismantling benefits are higher than the costs, and the costs of non-action are higher than the costs of dismantling), actors select their strategies against the backdrop of a number of crucial factors that might be conceived of as political opportunities and/or constraints. Potentially the most important constraints are public financial crises, international and/or supranational pressures, policy type, party politics and the stage in the election cycle.

## **Summary and Perspectives**

In this article, we tried to shed some light on a still underdeveloped research area in the public policy literature, namely issues of measurement, explanation and strategies of what we referred to as policy dismantling. Policy dismantling indicates a distinctive direction of policy change. As opposed to policy expansion, dismantling is associated with the termination of policies or instruments or a reduction in the strictness or generosity of instrument calibration. We have shown that the measurement of policy change, and more specifically policy dismantling, suffers from various shortcomings, implying that instances of dismantling are difficult to observe in reality. In response to these problems, we presented an alternative measurement concept that systematically takes account of the degree and direction of policy change from an aggregate perspective of policy fields.

In a second step, we provided an analytical framework for studying policy dismantling. Using a cost–benefit approach, we theorised the various constellations under which politicians – our central actors – engage in policy dismantling. We developed a typology of four available strategies that can, in principle, be employed to dismantle existing policies. We posit that a mixture of prevailing macro conditions, institutional opportunities and constraints (both at the level of the political system and at the level of the specific policy in question) and situational factors may influence politicians' choice of dismantling strategy. Finally, we formulated expectations about the varying outcomes of the choice of specific dismantling strategies.

The primary focus of this article has been on concepts and theories of policy dismantling. We deliberately restricted the presentation of empirical evidence to references to existing research. We are aware of the fact, however, that the value of this framework can only be tested by applying it systematically to empirical case studies of policy dismantling.

Against this background, we hope that our discussion and conceptualisation of policy dismantling, first, heightens the awareness of policy researchers engaged in explaining

“change” that the common explanations and operationalisations are biased towards particular “forms” of change. If a more comprehensive theory of policy change is the objective, the “dismantling dimension” of change needs to be taken more seriously. There are, secondly, also tricky issues of definition that would benefit from greater attention. The policy field in which policy dismantling or otherwise changing policy issues are analysed needs to be treated with greater care; not least because identifying policy change in a meaningful and empirically unequivocal way requires more sophisticated operationalisation of what actually constitutes the policy field as well as what precisely the researcher expects to study. Policy change, in other words, is a much more elusive and variegated concept than is usually admitted in our work. Third, in terms of realising its theoretical aspiration, the sub-discipline of policy analysis runs the risk of becoming a victim of its own success. Explaining institutional impact and actor behaviour in structured constellations from the perspective of individual public policies has undoubtedly attracted great intellectual investment and increased our theoretical understanding of how politics and polities interact to produce public policies. The theoretical reintegration of the insights produced by the analysis of ever more specific policies and sub-policies poses an ever greater challenge, however. What is needed is more rigour in defining the policy problems under study, more discipline in operationalising the concepts that are to be empirically studied, and providing theoretically rooted expectations for the impact of structural variables as well as a conception of actor preferences and behaviour. The suggestions developed here on how to study policy dismantling may therefore also be taken as a modest suggestion as to how to combine theoretical curiosity with empirical rigour in comparative analysis. In other words, explaining change in specific policy areas with respect to specific policy issues is certainly important. To advance as a discipline, however, we need to develop more general theories of policy change – theories that remain valid across policy areas, issues and fields. We see the analytical framework we developed in this article for studying policy dismantling as hopefully providing some ideas regarding not only how to study policy dismantling as such, but also how to advance in developing a more general theory of policy change in our particular sub-discipline.

## **Acknowledgements**

The article is based on joint research conducted in the context of the project CONSENSUS (Confronting Social and Environmental Sustainability with Economic Pressure: Balancing Trade-offs by Policy Dismantling or Policy Expansion?) that has been financed within the 7th Framework Programme of the European Commission. Research funding is gratefully acknowledged. We are also grateful to the colleagues and researchers that have been involved in this project. The ideas and concepts presented in this article have been developed in intensive cooperation with the research team.

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