

# Appendix for “Do Governments put their Money where their Mouth is? Policy Adoption and Administrative Resource Provision in 15 OECD Countries”, published at *Perspectives on Politics*

Xavier Fernández-i-Marín

Markus Hinterleitner

Christoph Knill

Yves Steinebach

## Supplemental Online material September 2024

### Abstract

Technical documentation for “Do Governments put their Money where their Mouth is? Policy Adoption and Administrative Resource Provision in 15 OECD Countries”.

## Contents

<b>A</b>	<b>Coding manual (excerpt), social sector</b>	<b>2</b>
A.1	Basic Coding Procedure and Main Concepts . . . . .	2
A.2	Coding Categories . . . . .	2
A.3	Coding Category 1: Policy Targets . . . . .	2
A.4	Coding Category 2: Policy instruments . . . . .	4
<b>B</b>	<b>Data description</b>	<b>5</b>
<b>C</b>	<b>Administrative spending</b>	<b>7</b>
<b>D</b>	<b>Country-specific time lags</b>	<b>9</b>
<b>E</b>	<b>Saliency</b>	<b>10</b>
E.1	Comparisons . . . . .	10
E.2	Correlations . . . . .	12
E.3	Alignment . . . . .	13
<b>F</b>	<b>Full model results</b>	<b>14</b>
F.1	ML-SEM . . . . .	14
<b>G</b>	<b>Robustness</b>	<b>15</b>
<b>H</b>	<b>Interactions</b>	<b>17</b>
<b>I</b>	<b>Coding manual (excerpt), environmental sector</b>	<b>18</b>
I.1	Coding Category 1: Policy Targets . . . . .	18
I.2	Coding Category 2: Policy instruments . . . . .	19
<b>J</b>	<b>Interview Methods</b>	<b>20</b>

## A Coding manual (excerpt), social sector

### A.1 Basic Coding Procedure and Main Concepts

At the most basic level, the coders have to identify single events of policy change in the collected legal documents and, for each single event, assess the direction of change, i.e., whether the event of policy change represents the introduction or abolishment of a given target-instrument-combination.

To come into consideration, a policy change has to meet the following requirements in form and content. Formally, a relevant policy change is any measure or provision in the collected legislation (and where necessary respective administrative circulars specifying these rules) that

- was published during the observation period, which starts on **January 1, 1990**, and ends on **March 31st, 2021**
- was adopted at the **national level**

The second point clearly excludes measures by sub-national jurisdictions such as regional or local bodies, even if the latter are state-like entities with far-reaching competencies as in federal states.

### A.2 Coding Categories

The method used to assess and code policy change, is intended to be universally applicable, i.e. over a wide range of countries, irrespective of differing legal and administrative traditions. Thus, the coding rules comprise two invariant general categories. These are policy targets and policy instruments.

By means of these two categories, we seek to measure developments over time in a nuanced manner. Moreover, in order to assess whether a change represents the introduction or abolishment, we are interested in policy change relative to the previous state. Thus, as will be explained in more detail in this section, relative changes to the previous targets and instruments need to be coded. We are interested in the introduction and abolishment of (new) policy target (guiding question: *what is addressed?*), of policy instruments (*how is something addressed?*).

Recalling the observation period (January 1st, 1990 to March 31st, 2021), this stated focus on change has one important implication: Although the relevant information for deciding whether a legal act falls into the observation period is the date of publication, it might be the case that coders need to consult legislation originating from some year before 1980 in order to reconstruct the occurrence and the direction of change. For instance, if a law adopted in 2008 changes a law enacted in 1973, the latter legislation has to be considered in order to make a statement about the direction and nature of change taking place through the 2008 legislation.

### A.3 Coding Category 1: Policy Targets

The first and most general coding category is policy targets. For analytical reasons, we use a very narrow conception of policy targets. By policy targets, we mean a very specific activity within a subarea of a policy field guided by the question: who or what is addressed? More specifically, a policy target is subject to state activities in order to achieve a political objective within a specific area. The tables below contain the policy targets this project is exclusively interested in. Thus, when screening the legislative acts, please identify the presence and/or abolishment of any policy targets from these lists and indicate these events of policy change as either introduction or termination.

One single target has to be coded only once per legislative act – it must not be coded multiple times. Any instrument concerning this specific target will be attributed to the one single target. If a policy target from the list is introduced for the first time, i.e. subject to governmental action for the first time, this particular event must be coded as policy introduction. If, by contrast, a policy target from the list is abolished, i.e. is not subject to governmental action anymore, this particular event must be coded as policy termination. Please note that the termination of a target entails the termination of all attached instruments, which have to be coded separately. The same is true when a target is addressed for the first time.

#### Unemployment benefits

---

1. Basic Unemployment benefits
2. Special Unemployment benefits: bad weather; seasonal unemployment benefits
3. Special Unemployment benefits: emergency aid
4. Special Unemployment benefits: special holiday payments
5. Special Unemployment benefits: partial unemployment benefits
6. Special Unemployment benefits: other
7. Unemployment fee/ contribution
8. Support for vocational education and training/ vocational reintegration expenses

9. Retention period (in case of quitting by the employee), i.e. a period of quarantine without benefits
10. Retention period (dismissal by the employer), i.e. a period of quarantine without benefits
11. Subsidized employment/ employment subsidies
12. Reimbursement of expenses related to active job search
13. Retention period (dismissal by the employer), i.e., a period of quarantine without benefits
14. Subsidized employment / employment subsidies (e.g., policies that introduce jobs which will to a large share be paid for by the unemployment benefits administration and are destined to serve the public good, such as additional jobs for relief agencies for elders, or jobs related to the maintenance of public parks)
15. Reimbursement of expenses related to active job search

---

### **Pensions**

---

1. Basic People's Pension (standard-employee pension) for singles ("first layer pension" – basic minimum income for old-aged people, typically a pension of the same amount for all, regardless of contributions)
2. Basic People's Pension (standard-employee pension) for married couples
3. Basic People's Pension (standard-employee pension) for unmarried couples
4. Additional People's Pension for singles ("second layer pension" – pensions originating from another source than the basic people's pension, typically dependent on contributions/income)
5. Additional People's Pension for married couples
6. Additional People's Pension for unmarried couples
7. Special Pensions for singles (e.g., pensions paid to old-aged people who retire earlier than most of the working population)
8. Special Pensions for married couples
9. Special Pensions for unmarried couples

---

### **Child benefits**

---

1. Basic child benefits (children)
2. Special child benefits, e.g., special subsidy for juveniles having not reached majority (often 16-18 years) / youth benefit or indirect child benefits like means-tested family assistance (juveniles)
3. Payments for giving birth to children (birth)

## A.4 Coding Category 2: Policy instruments

We define a policy instrument as a tool or means adopted to achieve the underlying political objective of the selected environmental policy target. A policy instrument thus describes the type of governmental action adopted for a given policy target. A policy instrument is intended to have a regulating and/or guiding effect on people's actions. The tables below contain all potential policy instruments for environmental policy. For each policy targets, if addressed, there is at least one policy instrument defined as a tool to achieve the underlying political objective. Yet, any policy target may be addressed by means of various policy instruments. For each addressed policy target, the coders are asked to identify all instruments. Please note that a given policy instrument belongs to one type/group only.

The following table is exhaustive, containing the most common social policy instruments.

Instrument	Description	Example
Universal benefits / Allowance	A payment of a certain amount of money by the state, irrespective of means	Unemployment benefit, child benefit; orphan's benefit
Means-tested benefits	The entitlement to these benefits is usually not affected by whether a person has paid contributions or fees to an insurance scheme. Means-tested benefits are affected by the claimant's capital and income and involve a calculation (means-test). Based on that calculation it is determined whether a person is eligible for this benefit at all.	Income subsidy for persons with income that is insufficient for living above the poverty level
Contribution / fee	Payment made by citizens to a state agency to receive certain benefits	Fee for unemployment insurance
Tax exemption / subsidy	A reduction of tax payments to provide income tax savings	Child tax exemption
Bonus / grant	one-off grant / payment of money, irrespective of means	Bonus for giving birth to a child; reimbursement of expenses related to job search
Retention	Non-payment of a certain allowance	Retention period for unemployment benefit
Other	Any instrument that cannot be assigned to the given categories	(...)

## B Data description

Table 3: Summary statistics. Explanatory variables that are sector-invariable.

Variable	Mean	Std. Dev.	Min	Pctl.25	Median	Pctl.75	Max
Electoral competition	0.25	0.22	0	0.014	0.22	0.43	0.68
Institutional fragmentation	0.5	0.095	0.21	0.43	0.5	0.54	0.72
Ideology, average	5.2	1.4	2	4.2	5.1	6.4	7.7
Corporatism	0.46	0.42	-0.31	0.22	0.5	0.66	1.3
Size	0.17	0.063	0.035	0.13	0.16	0.2	0.35
GDPpc	39882	15540	15789	31294	36658	45661	82998
Debt	65	25	24	48	60	80	146

Table 4: Summary statistics. Explanatory variables for the social sector.

Variable	Mean	Std. Dev.	Min	Pctl.25	Median	Pctl.75	Max
Issue salience	0.13	0.083	0.018	0.065	0.12	0.16	0.42
Policy costs (pensions)	0.1	0.43	-1.4	-0.074	0.067	0.21	3.9
Policy costs (unemployment)	-0.03	0.82	-2.6	-0.49	-0.077	0.39	5.1
Size	0.14	0.042	0.066	0.12	0.14	0.17	0.23

Table 5: Summary statistics. Explanatory variables for the environmental sector.

Variable	Mean	Std. Dev.	Min	Pctl.25	Median	Pctl.75	Max
Issue salience	0.056	0.04	0.003	0.023	0.046	0.076	0.25
Policy costs (dummy)	0.3	0.46	0	0	0	1	1
ENGOS by population	0.48	0.58	0.024	0.048	0.19	0.95	2.2
Size	0.19	0.071	0.035	0.14	0.19	0.24	0.35

Policy costs.

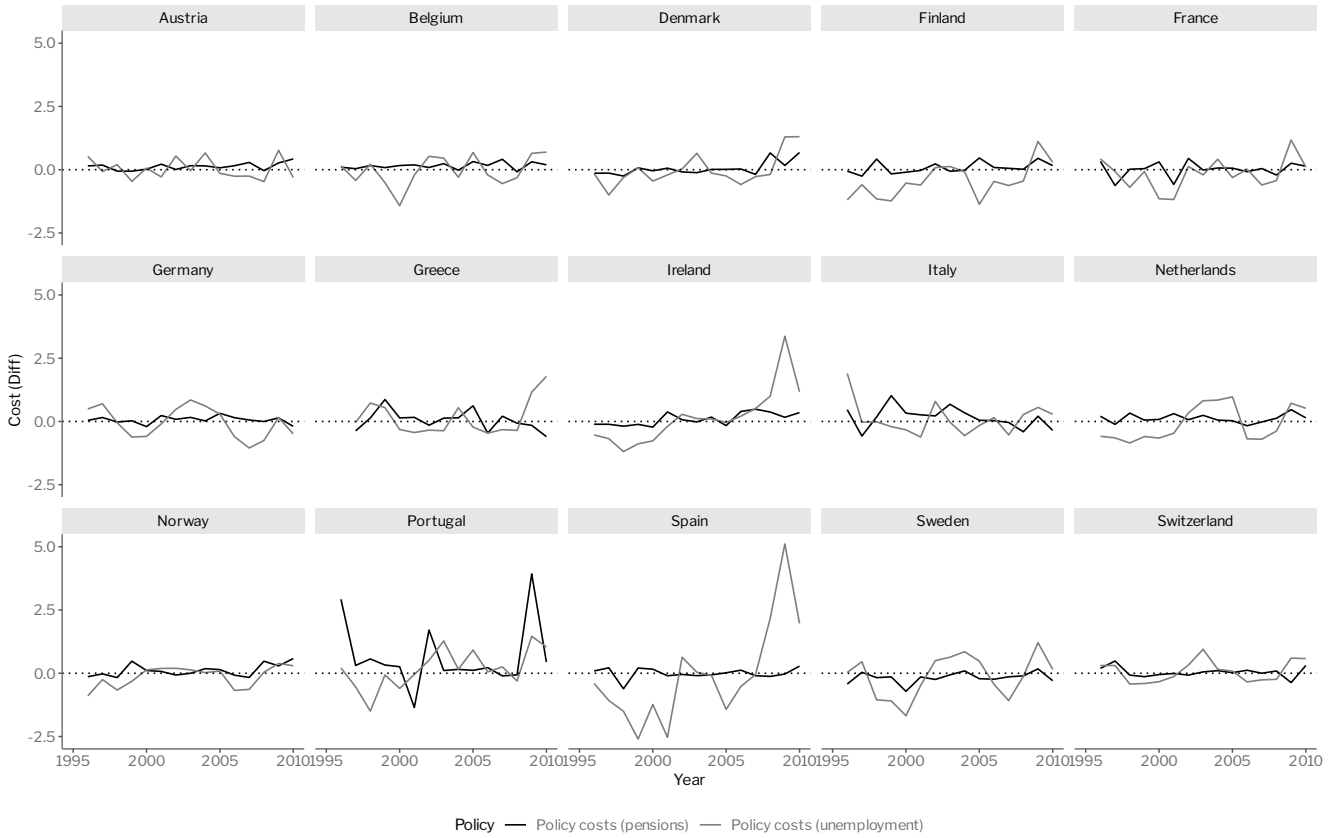


Figure 1: Policy costs (Diff).

Institutional fragmentation

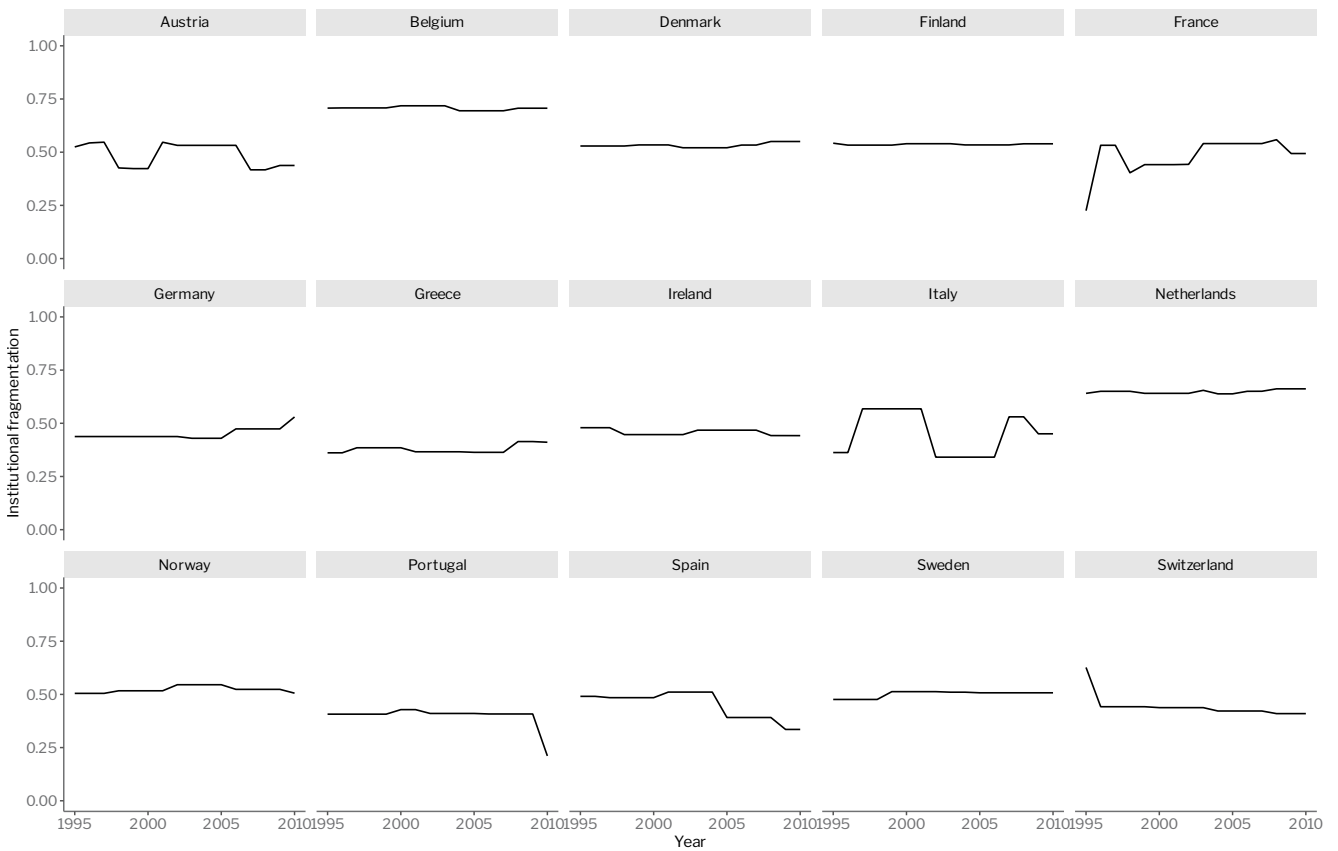


Figure 2: Institutional fragmentation.

## C Administrative spending

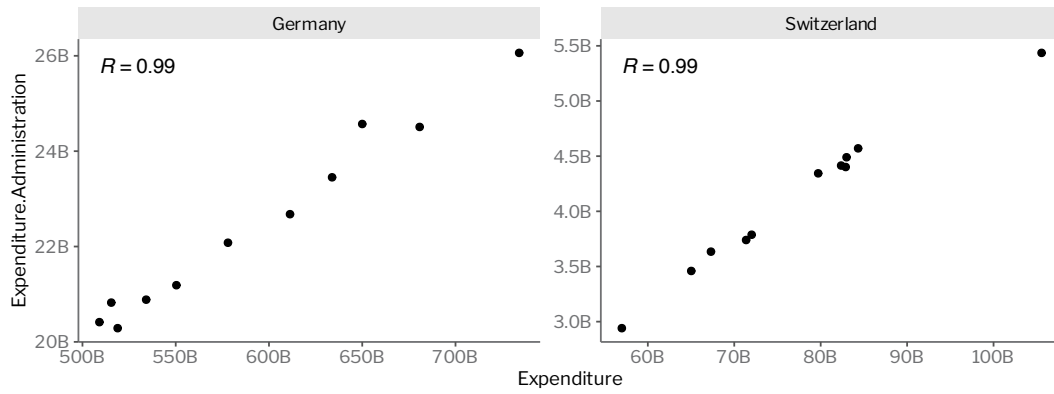


Figure 3: Correlation between total social spending and spending on administrative costs. Administrative spending is indicated as a fixed share of a country's total social spending. Source Eurostat 2022.

Table 6: Administrative capacity (Fernández-i-Marín et al. 2023) and expenditure

<i>Dependent variable:</i>	
	APSR
log(Expenditure.Absolute)	0.189*** (0.025)
'Cost Unemployment (diff)'	0.007 (0.008)
'Cost Pensions (diff)'	-0.027** (0.013)
Fixed effects	Country FE
Observations	224
R <sup>2</sup>	0.989
Adjusted R <sup>2</sup>	0.988
Residual Std. Error	0.078 (df = 206)
F Statistic	1,009.800*** (df = 18; 206)

Note: \*p<0.1; \*\*p<0.05; \*\*\*p<0.01

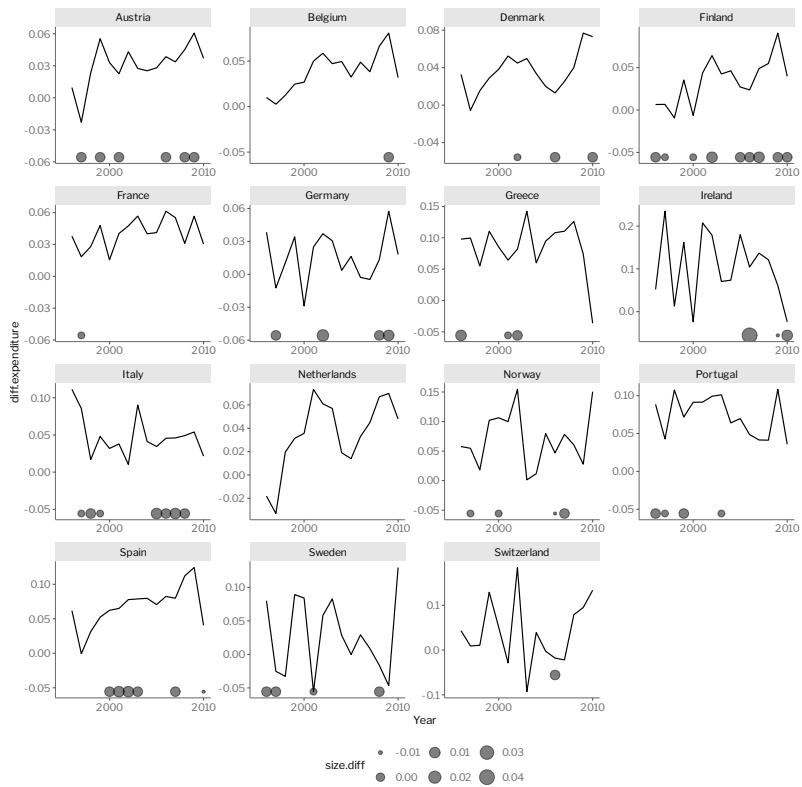


Figure 4: Temporal evolution of diff expenditure with policy growth size (dots).



## D Country-specific time lags

Table 7: (#tab:higly-likely-lags-104-capped)Highly likely lags at each country.

Country	Lag
Austria	2
Greece	2
Ireland	2
Belgium	3
Denmark	3
Finland	3
France	3
Germany	3
Italy	3
Netherlands	3
Norway	3
Portugal	3
Spain	3
Sweden	3
Switzerland	3

# E Salience

## E.1 Comparisons

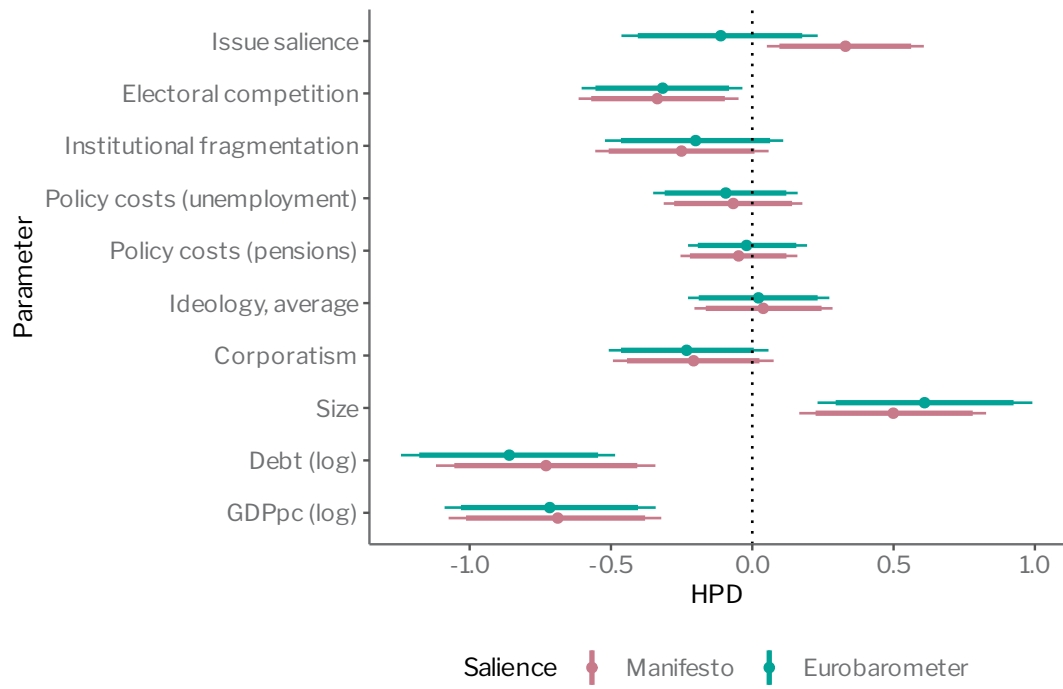


Figure 5: Comparison of model results with salience coming from the Manifesto or the Eurobarometer. Reference model.

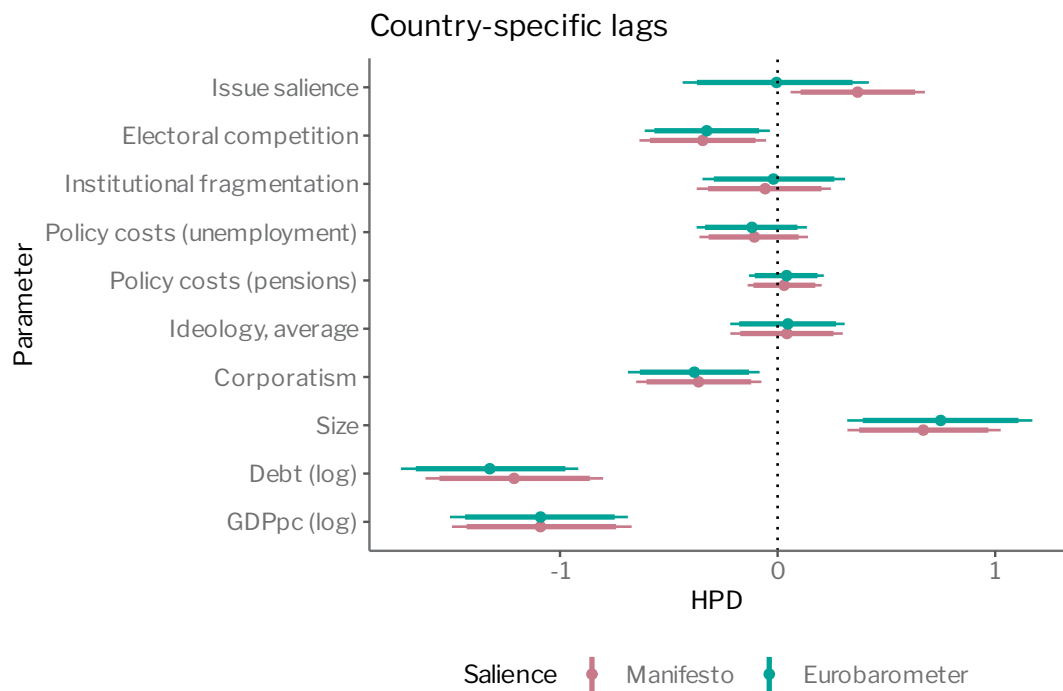


Figure 6: Comparison of model results with salience coming from the Manifesto or the Eurobarometer. Country-specific lags.

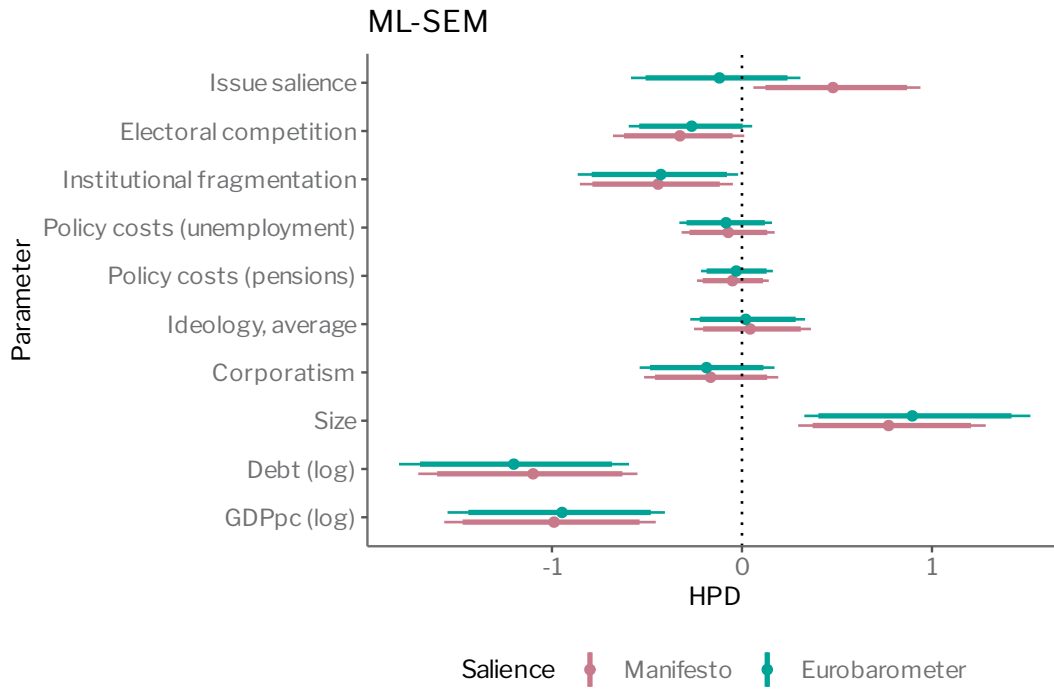


Figure 7: Comparison of model results with salience coming from the Manifesto or the Eurobarometer. Cross-lagged panel model with country-fixed effects.

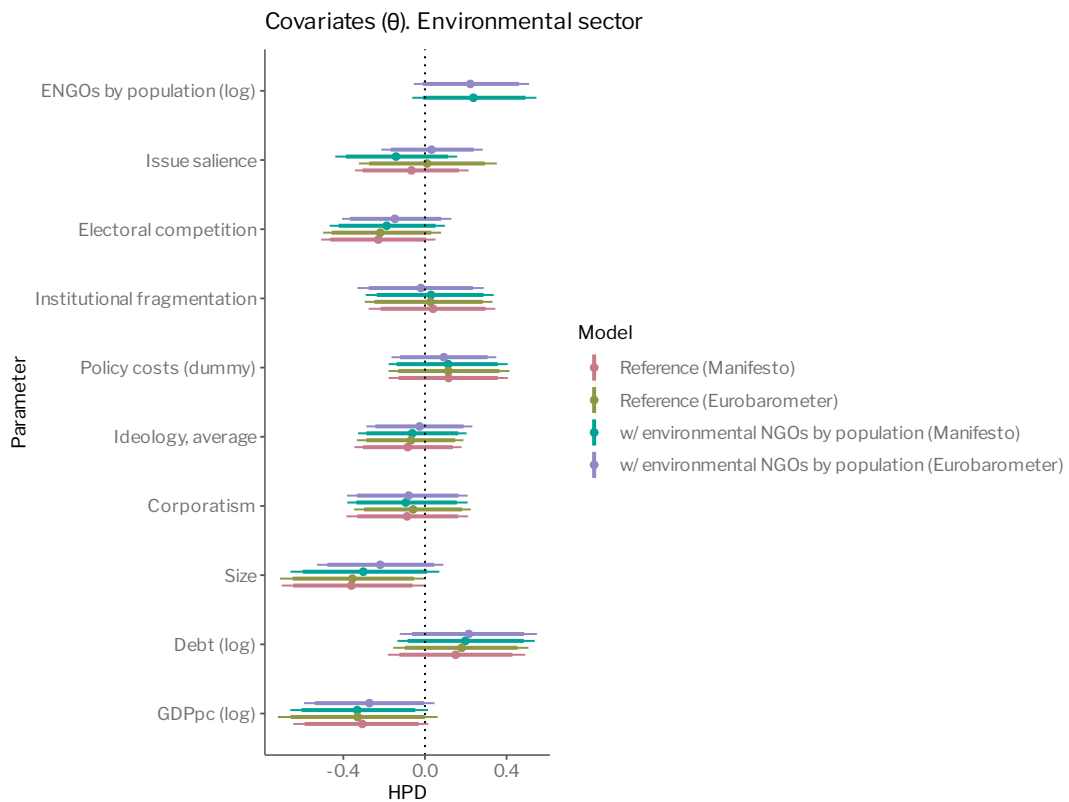


Figure 8: Comparison of model results with salience coming from the Manifesto or the Eurobarometer. Model references with and without environmental NGOs. Environmental sector.

## E.2 Correlations

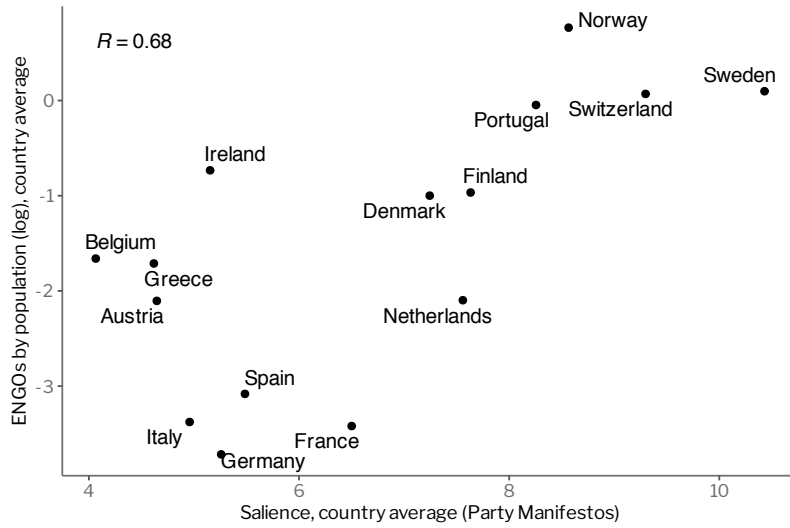


Figure 9: Correlation between country averages of ENGOS by population (log) and Salience (Party Manifestos).

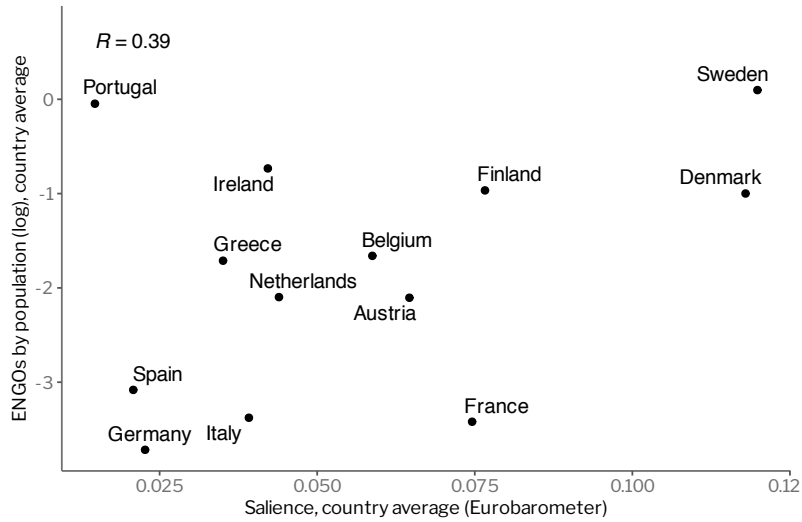


Figure 10: Correlation between country averages of ENGOS by population (log) and Salience (Eurobarometer).

### E.3 Alignment

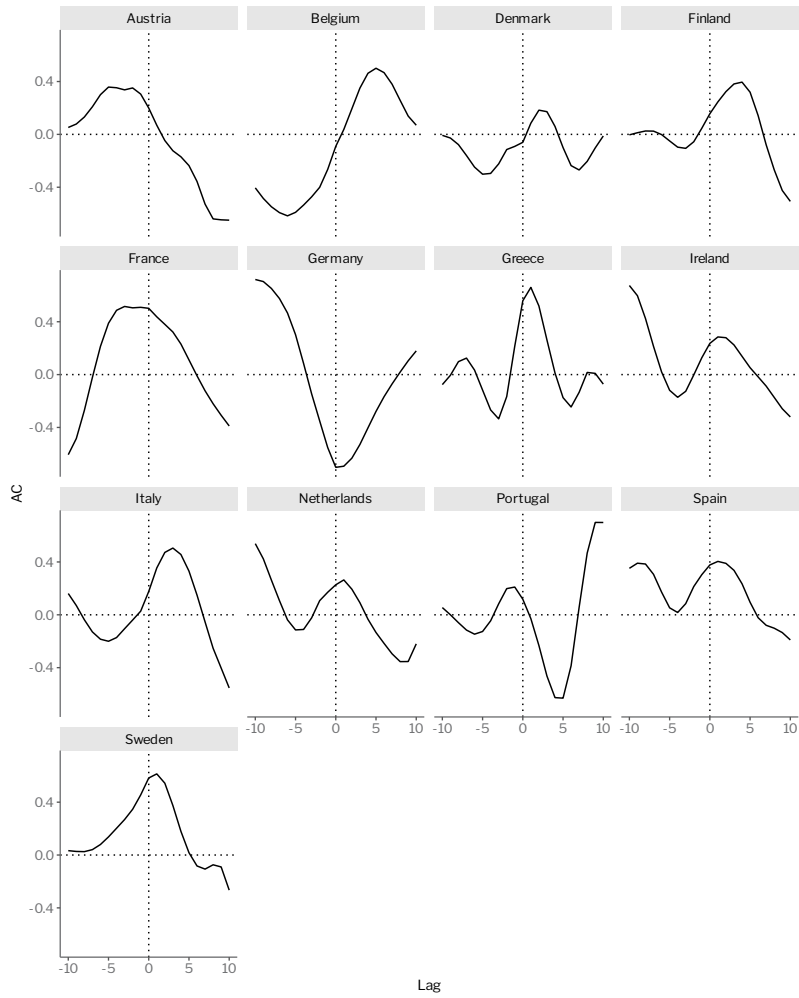


Figure 11: Time-lagged cross-correlations between Salience measured in Eurobarometer or Party Manifestos. When the lag is negative, salience changes in the Eurobarometer lead changes in Party Manifestos. When the lag is positive, salience changes in Party Manifestos lead changes in the Eurobarometer.

## F Full model results

### F.1 ML-SEM

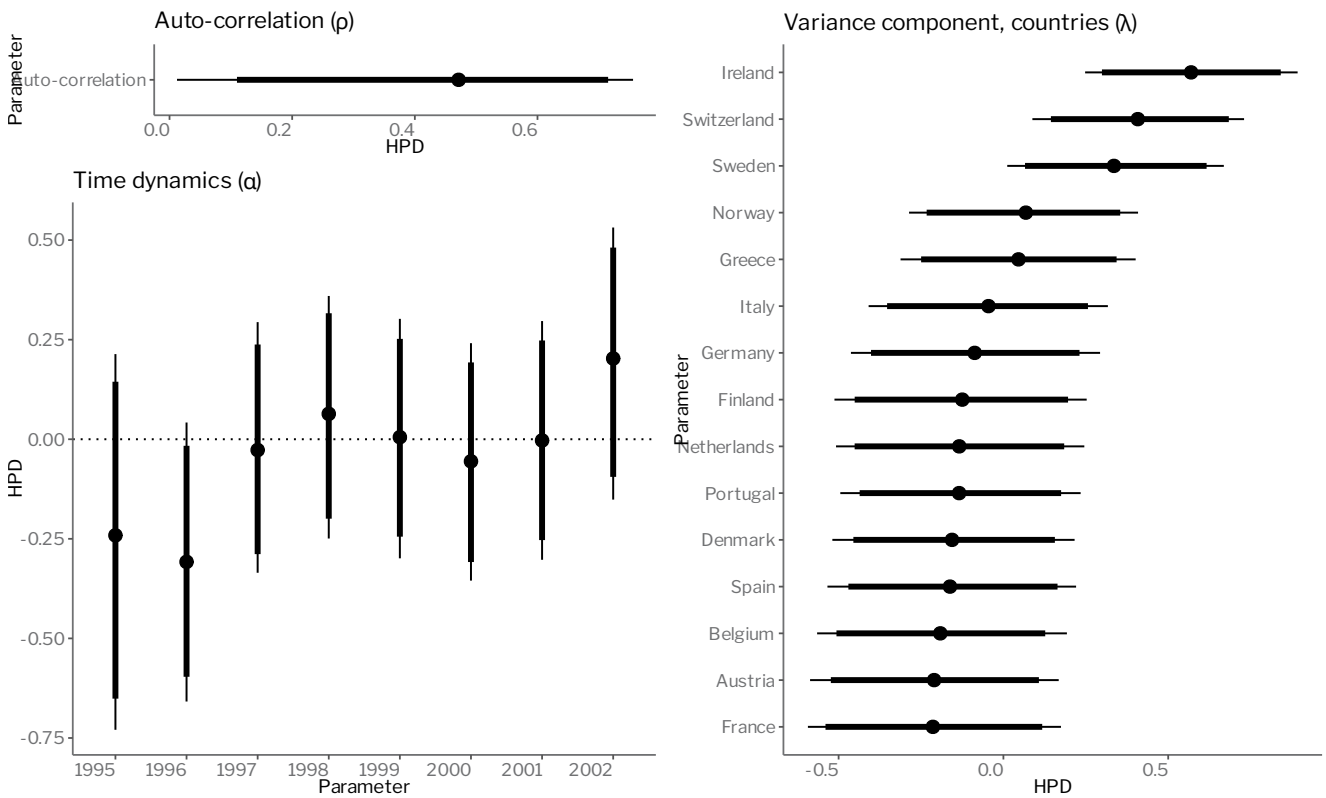


Figure 12: Auxiliary parameters: auto-regressive component ( $\rho$ ), temporal dynamics ( $\alpha$ ) and country-specific variances ( $\lambda$ ).

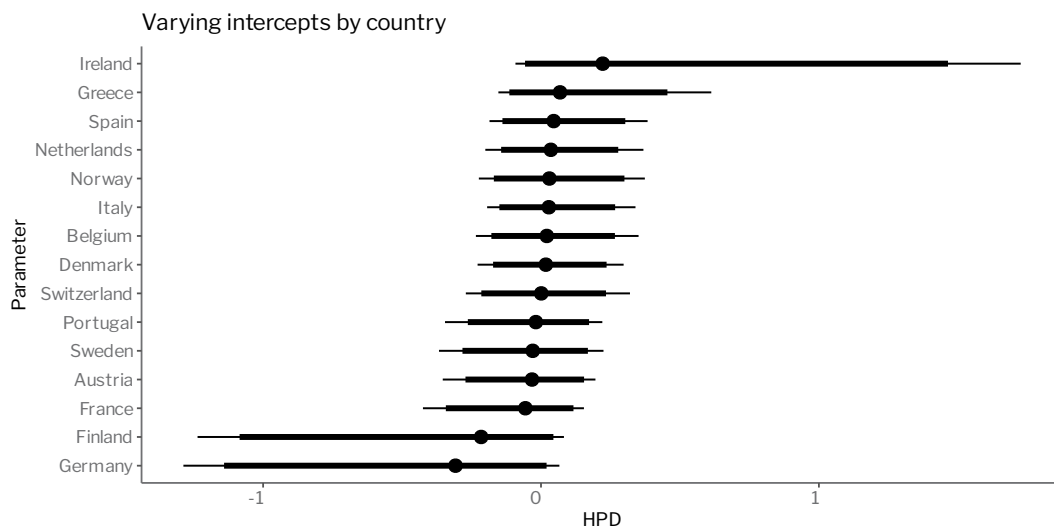


Figure 13: Auxiliary parameters: ML-SEM country-varying intercepts ( $\gamma$ ).

## G Robustness

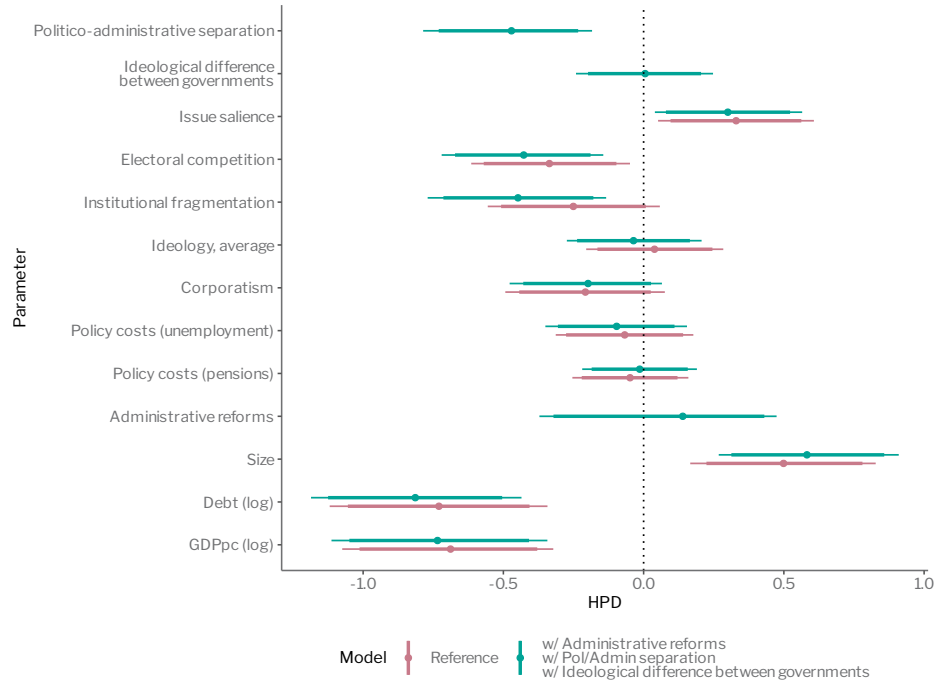


Figure 14: Comparison of model results with regional autonomy, ideological difference between governments and politico/administrative separation. Social sector.

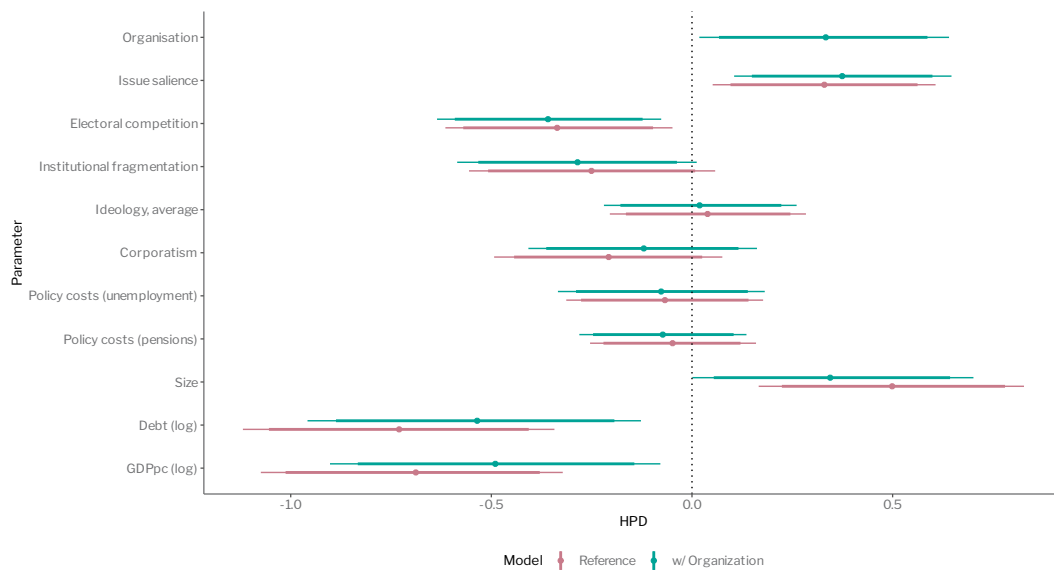


Figure 15: Comparison of model results with an organizational component. Social sector.

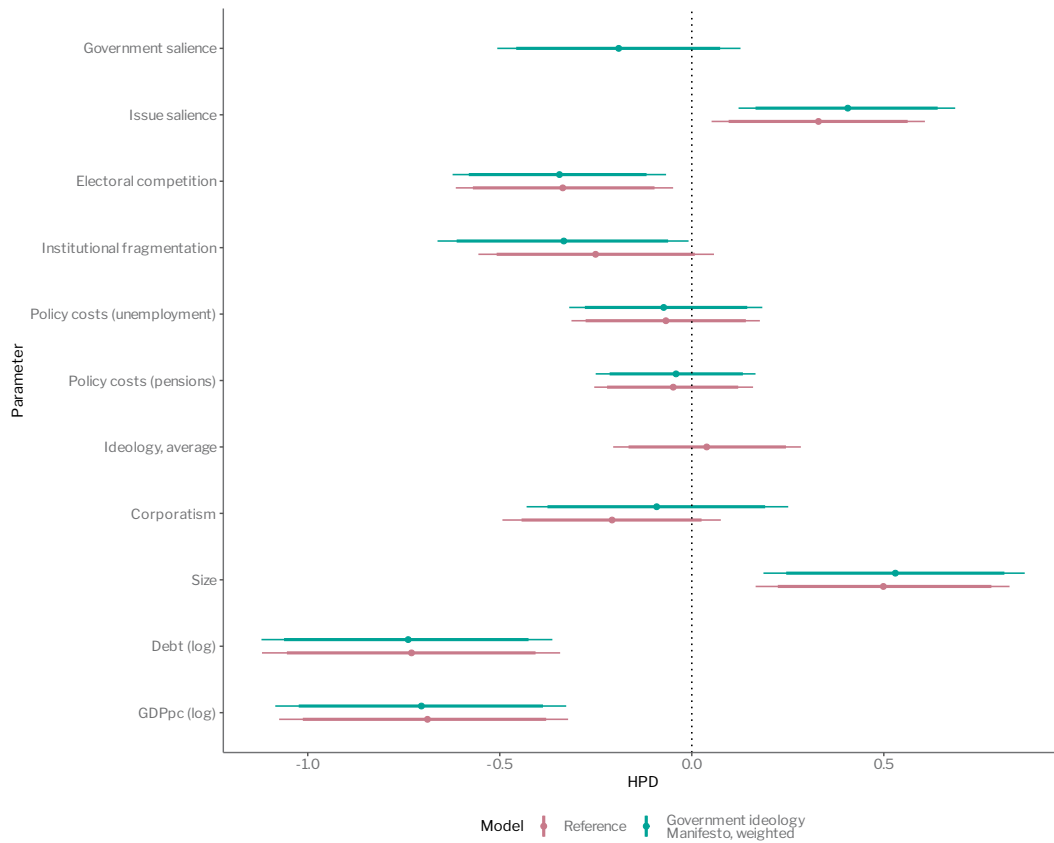


Figure 16: Comparison of model results with specifications of government ideology. Social sector.

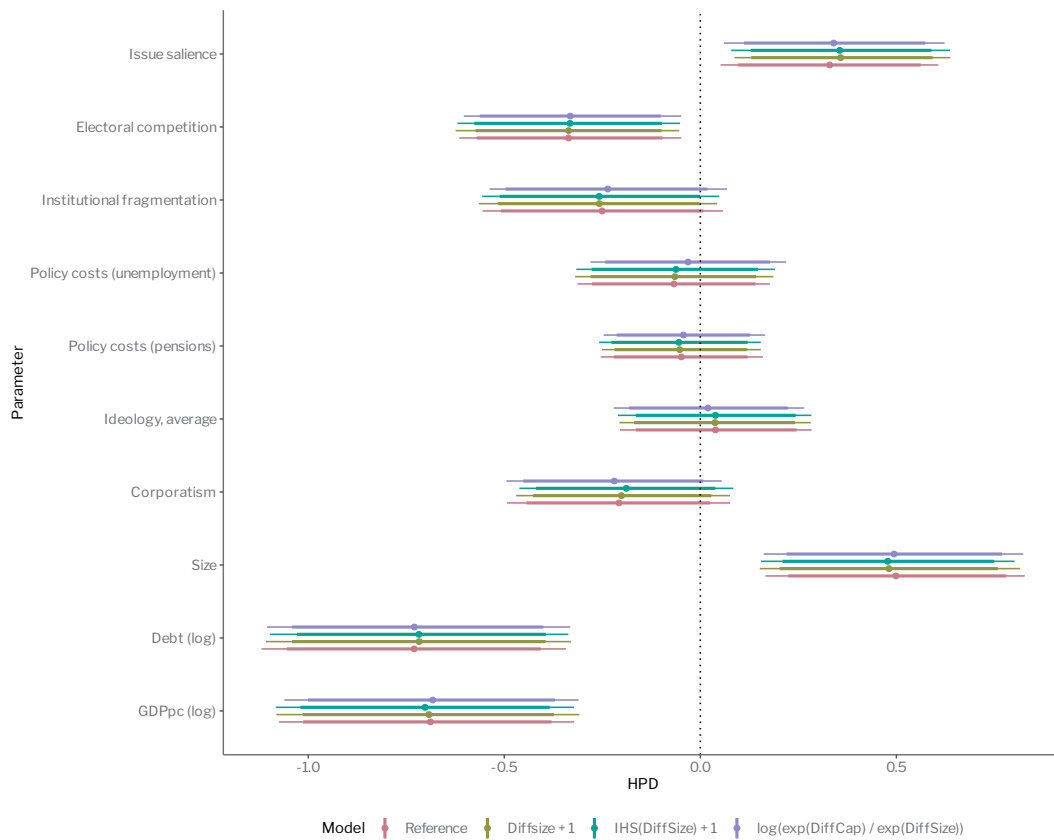


Figure 17: Comparison of model results with compensations transformed. Social sector.



# H Interactions

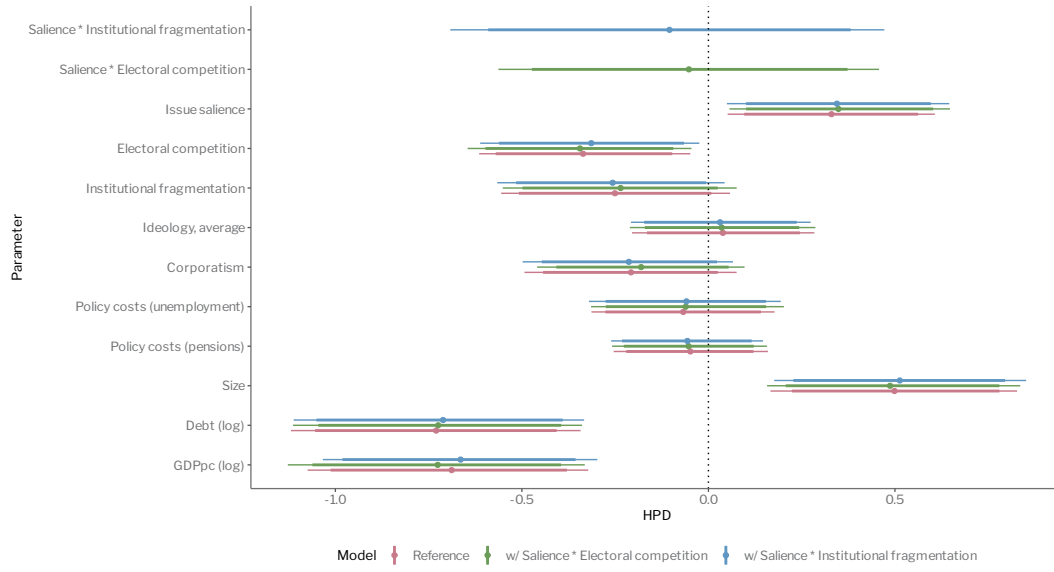


Figure 18: Comparison of model results with interactions. Social sector.

# I Coding manual (excerpt), environmental sector

## I.1 Coding Category 1: Policy Targets

### Clean Air Policy

---

1. Air quality standards for nitrogen oxides (NO<sub>x</sub>)
2. Air quality standards for sulphur dioxide (SO<sub>2</sub>)
3. Air quality standard for carbon monoxide (CO)
4. Air quality standard for particulate matter
5. Air quality standard for ozone (O<sub>3</sub>)
6. Air quality standard for lead
7. Nitrogen oxide (NO<sub>x</sub>) emissions from large combustion plants using coal
8. Nitrogen oxide (NO<sub>x</sub>) emissions from passenger vehicles using unleaded gasoline
9. Nitrogen oxide (NO<sub>x</sub>) emissions from heavy duty vehicles using diesel
10. Sulphur dioxide (SO<sub>2</sub>) emissions from large combustion plants using coal
11. Sulphur dioxide (SO<sub>2</sub>) emissions from passenger vehicles using unleaded gasoline
12. Sulphur dioxide (SO<sub>2</sub>) emissions from heavy duty vehicles using diesel
13. Carbon dioxide (CO<sub>2</sub>) emissions from large combustion plants using coal
14. Carbon dioxide (CO<sub>2</sub>) emissions from passenger vehicles using unleaded gasoline
15. Carbon monoxide (CO) emissions from large combustion using coal
16. Carbon monoxide (CO) emissions from passenger vehicles using unleaded gasoline
17. Particulate matter emissions from large combustion plants using coal
18. Arsenic emissions from stationary sources
19. Maximum permissible limit for the lead content of gasoline
20. Maximum permissible limit for the sulphur content of diesel
21. Carbon dioxide (CO<sub>2</sub>) emissions from aviation activities
22. Maximum permissible limit for the sulphur content of petrol (gasoline, benzene, fuel)

### Water Protection Policy

---

1. Lead in continental surfaces water (i.e. waters that flow or which are stored on the surface, and include natural water channels like rivers, surface runoff, streams, lakes and others)
2. Copper in continental surfaces water
3. Nitrate (NO<sub>3</sub><sup>-</sup>) in continental surfaces water
4. Phosphates in continental surfaces water
5. Zinc in continental surfaces water
6. Oils in continental surfaces water
7. Pesticides (fungicides, herbicides, insecticides, exempt DDT) in continental surfaces water
8. DDT (Dichloro-Diphenyl-Trichloroethane) in continental surfaces water
9. Phenols (as total C) in continental surfaces water
10. BOD (Biochemical Oxygen Demand) of continental surfaces water
11. Lead from industrial discharges into continental surfaces water
12. Copper from industrial discharges into continental surfaces water
13. Nitrate (NO<sub>3</sub><sup>-</sup>) from industrial discharges into continental surfaces water