Abstract
Parametric insurance instruments (‘climate insurances’) have gained increasing importance as means to cope with the adverse economic consequences of natural hazards. Yet, despite the growing prominence of these adaptive policy tools in climate-related policy making there has been only little critical research on the emergence of these instruments. How have these instruments come to shape the interests of state actors? The few existing accounts largely lock-in a rather structuralist view. Yet this renders the emergence of these instruments somehow a-political. This paper seeks to address the shortcomings originating from these perspectives and develops a framework that is able to account for agency. Thus, it seeks to bring local, regional and international (non-)state actors back into the analysis and looks at their interrelations. Such a move points not only to the political dynamics at play when it comes to the creation of insurance instruments but also emphasizes how contextual changes, for example, material, ideational and institutional changes, have fueled conventions and expectations of different actors involved about what is desirable and feasible.

Keywords: Climate Change; Insurance; Risk Management

Note to the reader:
This is still very much work in progress. So please engage with it. If you want to draw on it, just let me know, so I can get to know your work and your take on the issues we both work on. In this way, I can also provide you with an updated version.

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1 This paper has been funded in the context of the Dahrendorf Symposium 2013 “Changing the European debate: Focus on climate change”, a common initiative of the Hertie School of Governance, the London School of Economics (LSE) and Stiftung Mercator.
Introduction – The rise of index insurance

*From mitigation to adaption: The general tendency to endorse adaption governance*

Dealing with climate change is one of the top priorities in international policy making. Under the umbrella of the United Nations Framework Convention on Climate Change (UNFCC) states for years have put emphasis on mitigation. That means the primarily global governance goal has been *addressing the causes* of climate change. In the recent years, however, the global consensus how to deal with climate change seems to be shifting from mitigation to adaption. The Bali Action Plan (2007) was arguably the historical turning point: It identified adaption as key building block for a strengthened future response to climate change and claims that adaption policies should gain ‘equal importance’ to those of mitigation. Following-up on Bali, states adopted the Cancun Adaption Framework (CAF) in 2010 with the objective of enhancing actions on adaption. In 2011 at the Durban Climate Change Conference states further advanced the implementation of the CAF, agreeing on guidelines, modalities, procedures and activities to be undertaken (UNFCC 2013a). The Doha Conference declaration in December 2012 only recently urged states to secure and support in particular vulnerable states with financial and technical resources *to cope with the consequences* of climate change.

Adaption policies can be understood as „measures which enable [persons] to cope with the ill-effects of climate change“ (Caney 2005:752 in Duus-Otterström/Jagers 2011:323). The unitary label masks, however, different forms of adaption. As Duus-Otterström/Jagers (2011:323) point out, adaption policies compromises *proactive, preventive, and reactive* measures: Proactive and preventive measures include, for example, strengthening the flood defense or diversifying economic activities to make sure that the climate change is not or less harmful. Reactive measures include the systematic access to funding to rebuild infrastructure and society after a natural disaster and aim at compensating for losses (ibid:323). It is in particular these latter financial or insurantal adaptive policy instruments, which have gained increasingly attention and support from policymakers, NGOs and academics alike – not to speak from the (re-)insurance industry that stands behind these measures². A very recent example is the European Union’s discussion on the potential and adequacy of different insurances instruments for the European Union under the banner of an ‘EU strategy on adaption to climate change’ (EU 2013).

*The increasing use of macro-index insurance schemes as adaptive governance tools*

One of the *most prominent* insurance instruments currently put forward in different initiatives are thereby so-called *parametric* or *index insurance schemes*. They are designed to protect states against the economic consequences of natural disasters and *allow the quick access to capital* in the case of a catastrophe. The instruments compromise two forms of insurance schemes³: Micro-level and macro-level insurance

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² For such a broad initiative see, for example, the Munich Climate Initiative)
³ Some distinguish even three levels, namely a macro-, meso- or micro-level. See, for example, the UNFCC 2013b)
schemes. The micro-macro distinction refers to the ‘application level’, that is to the user of that instrument, the policyholder. In micro-level insurance schemes a state offers a target population to be perceived at risk from environmental hazards (e.g. farmers in Ethiopia from drought or homeowners in Florida from hurricanes) an insurance cover. In these **macro-level insurance schemes** the state itself or a sub-national division of it (e.g. a regional entity) enters in an insurance contract with an insurance company and gets a financial compensation in the case of the occurrence of a *pre-defined* catastrophic event. That means it is *not* the actual financial loss that triggers a payment as in more traditional forms of insurance cover but the *pre-defined* performance of one or a pool of certain variables (e.g. the wind speed measured at a pre-defined weather station). This innovative move is also the reason why these schemes are called *parametric* or *index* insurances. What unites micro- and macro-level insurance schemes is that they are enabled through financial securitization strategies. The financial risks are thereby transferred to capital market investors via weather derivatives or catastrophe bonds. What interests me are basically the second, **macro-insurance schemes where sovereign actors resort to insurance cover**.

What makes these complex macro-insurance schemes particular intriguing are the different public and private actors involved: National state actors, international organizations, risk modelling agencies, insurers, re-insurers and capital market participants. They are all assembled in a complex and global web of relation. It is in particular this **underpinning transnational global-local and public-private web of relation** and the apparent **global institutionalization** of these schemes that makes macro-index insurance schemes a subject for International Relations (IR). Although being a relatively new and complex instrument – the first macro-index schemes were created only in 2007 – macro-index insurance schemes have spread around the globe. The growing and global relevance of macro-insurance schemes can be demonstrated with the establishment and current creation of five sovereign multi-country insurance pools: The Caribbean Catastrophic Risk Insurance Facility (CCRFI), the Pacific Catastrophe Risk Assessment and Finance Initiative (PCRAFI), the South East European and Caucasus Catastrophe Risk Insurance Facility (SEEC CRFI), the African Risk Capacity Initiative (ARC) and the Regional Insurance Facility of Central America (RIFCA). Thus, they have been put forward in regions, which are particular exposed to natural disasters and suffer from access to financial resources. Yet, as indicated, recent deliberations in the EU and the US to create own regional macro-index insurance schemes suggest that the geographical diffusion of macro-index insurance schemes will expand to regions which are technically and financially rather well prepared to cope with ill-effects of natural disasters (EU2013). It seems that the idea of turning to macro-index insurance schemes is getting even more powerful, although it exists only very little experience with these highly complex institutions.
Constructing index insurances as research object

Problematicizing macro-index insurance schemes

Despite volumes of policy papers and some academic research that discuss and operationalize insurance instruments, there has been only very little systematic analysis of the politics – the global and local institutional processes and dynamics – at play in the creation and implementation of insurance instruments. This applies in particular for the explanations which have their grounding in International Relations (IR). Yet, this critical, process-analytical interrogation is of pressing importance since policy measures designed to mitigate, reduce and cope with exposures to hazards are far from being apolitical or technical as critical IR has shown (Barnett 2001; Dalby 2004, Grove 2010). Instead, index insurance instruments are bound up in the creation and reproduction of power relations.

They will most probably shape future political pathways since they are empowering for some actors at the expense of others, public and private ones: They give, for example, financial ministries and (re-)insurance companies a greater say in climate-related local and global issues. If this power shift is a welcome development, in particular the integration of capital market actors on the climate policy-making stage, can be subject to critical discussion. Moreover, the increasing number of relevant policy actors, namely (re-)insurance companies and/or regional insurance facilities, will hardly facilitate climate treaty negotiation processes, instead it will rather introduce further complexities. Another in case in point is that index insurances might unintentionally reproduce the current and apparently unsustainable way of living (cf. Lobo-Guerrero 2011) since insured states might have a lower incentive to engage in pressuring for mitigation. This lower pressure for taking actions towards mitigation might further delay a new or even prevent a more restrictive global climate treaty. Admittedly, the argument works also the other way around: Lower premiums might also set incentives for states to engage more in mitigation efforts or at least in proactive adaption measures. In any case, we only know that the resorting to index insurances will have some consequences for future local and global policymaking and create its own dynamics. They are thus not neutral, technical instruments.

Since index insurances are not neutral, apolitical instruments but will have distributional consequences and reflexive feedback effects that might be highly problematic from different angles, policymakers’ positive attitude towards them by policymaker should also not automatically be taken-for-granted but must be problematized. It is not that I assume that policymakers suffer from a sort of ‘false consciousness’ that overlooks certain negative consequences – policymakers will most probably have problematized potential negative consequences of index insurances and evaluated them against some criteria, beliefs and/or arguments (e.g. goals/values/what works best); but the apparently positive and, in particular, growing global resonance indicates that macro-index insurance schemes seem to stand even the most fundamental
practical and theoretical critics. Why this is so is a question that deserves some critical scrutiny if we want to know more about the driving principles and forces informing global and local policy-making. Although there is plenty room for disagreement regarding the ‘usefulness’ or ‘rightfulness’ of macro-index insurances schemes, the economic arguments for them – quick access to massive amounts of capital – seem to outweigh other arguably well-funded long-term, social, ethical or democratic-theoretical considerations, like, for example, a power shift from the state to the financial sector which makes states (even more) subject to financial market actor interests and dynamics. Moreover, the apparently positive attitude or agreement on a global level must look even stranger if one considers the different national, political, organizational, religious/spiritual cultures policymakers are embedded in. I guess that policymakers take economic arguments on a global level more seriously than others but, again, why and how they come to do so is far from clear.

A critical political analysis: An investigation into preference formation

Hence, what is needed is a historically-informed, critical political analysis of the emergence of macro-index insurance schemes. Coming from a social constructivist way of thinking, this implies an investigation into the activities and social interactions and that policymaker have been engaging in to come to their evaluation. The critical political analysis I intent to pursue subjects the way through which policymaker have come to their evaluation of index insurances to critical scrutiny and points to various forms of power involved (e.g. ideational ones, organizational ones, material ones, social ones). Its critical goal lies in contributing to ‘problematizing the problematization’ (Fairclough 2013:185) made by policymakers by showing that the way problematization have been undertaken is (also) the result of more implicit or explicit “structures or mechanisms of power” (Fairclough 2013:178). I do hope this “explanatory critique” (Fairclough 2013:178) enhances our understanding of and – in particular – policymakers’ self-awareness of the driving principles and forces of shaping current policymaking, which can then subsequently be made subject to critical reflection. Analytically speaking, the critical political analysis I intent to pursue zooms into the social processes of persuasion. It pays particular attention to the processual creation of these schemes, that is, the formation of the public interest to realize these schemes over time and in context. The process-analytical approach center-stages public actors – or more precisely the key decision-makers populating public institutions – and the local institutional and broader global conditions and dynamics they are embedded in. As detailed later, understanding the local institutional context and the broader global context key decision-makers are embedded in is, in my view, central for explaining positive resonance of index insurances. I assume that these contextual conditions and dynamics influence policymaker in direct and indirect manner so to facilitate or hinder the rise of some policy ideas over others.

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4 As provided, for example, by Bougen 2003, Lobo-Guerrero 2011 and Grove 2012
Setting the goal and procedure of this paper: Review of the Foucauldian-inspired IR accounts and outline of an agent-centred constructivist framework

This paper has two goals:

First, it critically reviews how the Foucauldian-inspired IR accounts have approached index insurances. I limit myself to the Foucauldian-inspired accounts (Lobo-Guerrero 2011, 2012; Grove 2010, 2012) since they have not only introduced the phenomena of macro-index insurances schemes to IR but they offer also the most comprehensive accounts both in theoretical and empirical terms. It is here where my research embarks on and my alternative framework develops against. In the first part of this paper I will present their approach by briefly locating them in the literature on index insurances and expose their shortcomings with reference to their methodological framework and the theoretical interest of Foucauldian accounts more in general. My arguments are that the Foucauldian-inspired approaches abstract away the role of local agents, conditions and dynamics in the creation of index insurance schemes and suffer from an extreme nominalism and stasis. These shortcomings result from their particular analytical frameworks which emphasize holism and difference. I make these points not to dismiss Foucauldian accounts per se, but to point to the benefits an alternative, more nuanced, actor-centred approach.

The second goal of this article is to teases out how such an alternative approach could look like and what new analytical insights it might provide. I will outline a basic analytical perspective that integrates some insights from social theory and institutionalism and is – hopefully – able to account for agency, respectively the role of local actors and dynamics in the creation of macro index insurance schemes, and the facilitating local and global structures public and private actors are embedded in. Finally, I will point to key implications of such agent-centred constructivist approach.

A critical review on the Foucauldian-inspired accounts: Index insurances as biopolitical instruments

Systematizing the research on index insurances

Index insurances are rather a new phenomena. Since the 1990s pilot projects have been undertaken but it was only in 2006 when with Mexico the first state entered in an insurance contract. In 2007 the first regional macro-index insurance scheme was institutionalized: The Caribbean Catastrophic Risk Insurance Facility (CCRIF). Only in January 2013 the Pacific Catastrophe Risk Assessment and Finance Initiative (PCRAFI) has been launched. Due to this relatively new phenomena the literature on index insurances is very limited and highly fragmented. The main bulk of contribution has come from market and policy analysts and belongs rather to the ‘grey literature’ (Suarez/Linneroth-Bayer 2010; Ghesquiere/Mahul 2010; Gurenko/Dumitru 2009; Miranda/Farinn 2012; Barrieu/Scaillet 2010; Sharma/Vashishtha 2007; Croson/Richter 2007). Index insurances have thereby been approached from an applied ‘problemsolving’-perspective. The literature addresses mainly governments or policymakers and is, generally speaking, rather descriptive and prescriptive in character. It provides
technical information and de-contextualized accounts on the cost and benefits of insurance instruments. Generally speaking, it is not embedded in a broader theoretical framework. The second, and far smaller strand of research has investigated the creation of index insurances and questioned implicit power relations, values, ideologies and highlighted possible transformative effects (Lobo-Guerrero 2010; Grove 2012; Pidgeon/Butler 2010; Paterson 2001; Peterson 2012; Bougen 2003, Collier 2008, Sturm/Oh 2010, Glenk/Fischer 2010). The main focus of these ‘critical’ approaches has rather been on the potential social and political implications or effects than on the actual rise of index insurances. The explanatory parts lock-in a rather structuralist view – this applies in particular to the accounts which have their basic ground in IR (Lobo-Guerrero 2010, 2011; Grove 2010, 2012; Bougen 2003; Pidgeon/Butler 2010, Peterson 2012); only a few accounts centre-stage agents (Paterson 2002; Sturm/Oh 2010; Glenk/Fischer 2010). Yet, there is – to my best knowledge – no story ‘out there’ that tells us more precisely how states have actually come to view macro-index insurance schemes as a ‘useful’ or ‘rightful’ policy idea so to be their interest to realize it.

**Index insurances as biopolitical instruments**

In this context, the most comprehensive account in theoretical and empirical terms so far is arguably Lobo-Guerrero’s volume *Insuring Security – Biopolitics, security and risk* (2011). In his pioneering work he also introduced the phenomena of macro-index insurances to IR and its subfield security studies and made it subject to critical reflection. Grove builds upon his work (2010, 2012) and provides in his later work a detailed case study on the creation of the first regional macro-index insurance scheme, the Caribbean Catastrophic Risk insurance Facility (CCRIF).

Located in a Foucauldian tradition Lobo-Guerrero approaches insurances as ‘biopolitical instruments’. He seeks to expose the influence of statistical techniques on the ways in which people are understood and subsequently governed (*power/knowledge-nexus*) and unmarks the ‘hidden’, (re-)productive function of index insurance from a global IR perspective. A biopolitical instrument can roughly be understood as an interventionist public instrument that aims at protecting livelihoods and promoting certain ‘lifestyles’ of populations (thought as a *category*). It is based on statistical methods such as counting, classification, connecting and re-connecting data and turns chance or deviations into regularities. Its overall goal is to render the future of populations somehow predictable and thus governable through subsequent assessments and interventions (*biopolitics*). Since biopolitical instruments are designed and used to maximize circulation, flows and movement of people, that is to control and influence behavior, they posses a productive, transformative capacity. A biopolitical instrument is though related to a system of numeric distributions, representations, goals and interventionist regulations. By “sifting ‘good’ elements of the populations from ‘bad’” (Peoples/Vaughan-Williams 2010:67) according to some pre-defined goals it is not free from but embedded in existing power relations. Inspired by these Foucault-owned arguments Lobo-Guerrero traces in an empirical-rich genealogical account the
ideological foundations of the concept and practice of insurance back to Europe of the 13th century and highlights transformative effects by governing through the means of insurance in different security-related policy fields (Lobo-Guerrero 2011, 2012). He basically argues that recent index insurances ultimately work to secure and extend global power arrangements, namely the material and ideational power of the West⁵ (Lobo-Guerrero 2010, 2011): Governing uncertainty through insurances does not only (un-)intentionally empower the state to control its citizens through surveillance measures and by setting subsequent incentives of right and wrong behavior but aligns also “‘other’ non-Western ways of being in the world with a Western financial capitalist rationality of governance” (2010: 142). The ‘Western financial capitalist rationality of governance’, or put it more simple, the Western form of governance, can roughly be understood as one of ‘governing through markets’. The market-dimension in climate policy manifests in the idea that positions insurance as essential tool for climate change adaption (Lobo-Guerrero 2010). The alignment of non-Western forms of governance through a Western form of governance destroys other, non-Western, local cultural understandings and practices to manage contingencies. Moreover, since insurance instrument is not only of Western origin but also bound by a Western political economy it expands and secures the ideational and material ‘Western way of living’.

Grove (2010, 2012) works in the similar Foucauldian tradition, although his main point is a slightly different one: Exposing the discourse – understood here as belief system – that underpins the creation of the Caribbean Catastrophic Risk Insurance Facility (CCRIF) to critical scrutiny, he argues that the insurance facility is based on a Western, neoliberal envision of political and economic governance. He interprets the CCRIF as a ‘biopolitical innovation’ that secures and promotes a Western form of governance and a neoliberal mode of accumulation. The creation of the CCRIF re-articulates the public-private relations around “the imperatives of financial speculation” (Grove 2012:140) and implies the “financialization of disaster risk management” (Grove 2012:139). Its goal is not directed towards “reducing a population’s existing vulnerabilities” (Grove 2012:141) but towards enhancing state security, or more precisely, its financial capacity to ensure growth, economic development and the circulation of goods and people in the aftermath of natural disaster, and thus to reproduce the capitalist order. The enhancing of states’ financial capacity is enabled through the neoliberal logic of capital accumulation, namely the commodification of risks and the trading of these on the capital markets. The CCRIF spreads thereby an neoliberal rationality of governance and works to secure the increasing financialization of capitalism by creating a new field of capital accumulation. Similar to Lobo-Guerrero, Grove concludes that index insurances ultimately function to secure the present world order that favours the West (2010:556-561).

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⁵ This is not to say that index insurances are also intended to work so. It is rather what they unintentionally do. That is a speculative knowledge claim.
Critically reviewing the Foucauldian-inspired accounts

Both accounts provide some fascinating and challenging insights on the relation between culture and the governance of climate change and a powerful long-term explanation of the rise of index insurances. The great contribution has been not only to introduce the topic of index insurances to IR but in particular to challenge the taken-for-granted assumptions, the system of knowledge that underpins these index insurance schemes and to embed the emergence in a large-scale historical change. Through their deconstructive strategy they have problematized underlying epistemologies informing index insurance schemes and drawn attention to some discomforting potential long-term implications of using index insurance schemes for individuals and the non-West. This problematization can be interpreted normatively as a respect for marginalized others\(^6\) and alternative practices.

And yet, both accounts suffer from several shortcomings:

First, they downplay the role of local actors, conditions and dynamics in shaping global system logics. More specifically, they ‘explain away’ the role of local political and social interest groups in promoting and contesting index insurances and rather bypass local circumstances, such as, institutional capacities, complexities and particularities (e.g. material constraints, legal requirements, distribution of or struggle for competences) which will most probably have also played their role in this development.

Second, both accounts suggest a rather unproblematic because unspecified top-down process of cultural transmission whereby an abstract, cultural homogenous ‘West’ convinces or socializes an abstract ‘non-West’ somehow into its model of governance and way of living. Neither do these categories hold historically nor can these processes of cultural transmission simply be assumed. Both need at least some further specification. What does ‘West’ precisely mean, where has it been located ‘geographically’ and when does it start ‘temporally’? Who are the ‘carriers’ of that endorsed cultural ‘West’? Why have they ‘carried over’ their Western ideas? Why where ‘Western ideas’ at all accepted by ‘non-Westerns’? More empirically speaking, it is not clear how index insurances have emerged as an option among local, non-Western policymakers, how and why other options were dismissed.

Third, the knowledge claims made remain on a high level of abstraction. We do not know who is actually responsible for that process of adoption, who initiated it and how did this process evolve over time. The global ‘risk assemblages’ of “shifting networks of insurers, risk management experts, and state and international agencies” (Grove 2012:145) veils here more as it actually reveals. Empirically speaking, we learn little about policymakers’ previous problems, their experiments, their mistakes, their experience, their constraining material possibilities, their engagements with others (cf. Hacking 2002:77), that is their previous actions and interactions related to dealing with the consequences natural disasters but much about how ‘populations at risk’ are

\(^6\) Hay makes this point about postmodernist accounts more in general. See Hay 2002:218
constructed through the practices of collecting and classifying information according to a normative rationality (e.g. in Grove’s account a neoliberal one) and how populations are subsequently increasingly subject to surveillance and administration. Yet, there is no policy change without actors on the global and local level endorsing that very process.

Preparing the stage for alternative perspective: Analytical shortcomings of the Foucauldian-inspired accounts

These shortcomings can be explained by reference to methodological framework and the distinctive theoretical interest of Foucauldian accounts more in general. The methodological frameworks emphasize holism and difference and endorse a nominalist and static view on politics. This comes, as discussed below, with some deeper-seated problems. The overall theoretical interest of Foucauldian accounts lies in in exposing structures of knowledge and the effects thereof. These conceptualization and informing theoretical ideas limit the analytical scope and lead ultimately to an ideational and highly structuralist explanation that is not able to account for agency. I make these points not to dismiss the Foucauldian accounts per se – they have undoubted done a great work and provide powerful long-term explanation – but to point to the benefits of an alternative, more actor-centred framework.

*Deconstructing the Foucauldian-inspired accounts: The underlying methodological framework and theoretical interest*

*Methodological framework: Holism and difference*

Both studies have approached index insurances on methodological frameworks that emphasize holism (*the big picture*) and difference:

First, they seek to explain the rise of macro-index insurance schemes from a long-term, macro socio-historical perspective with reference to the wider systemic function of social control and security these instruments serve:\(^7\) The basic argument is that index insurances enable the state to promote and secure livelihoods and certain, socially constructed lifestyles (*how one should live*) through a system of financial protection and incentives – a cultural practice which is according to Lobo-Guerrero (2011) historically Western-owned. They restrict individual freedom and, by doing so, structure social behaviour according to certain goals. The increasing globalization of this historically Western-owned cultural practice aligns ‘other’, non-Western forms of managing lifes to Western ones (Lobo-Guerrero 2011) and serves to reproduce neoliberalism and its underlying financialised capitalist economy (Grove 2012). The

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\(^7\) “[H]olism seeks to explain events in the present by reference to the future, that is teleologically, by reference to functions or destiny” (Crossley 2011:126).
The deeper problem with such a holistic perspective is not so much the high level of abstraction per se but the general attribution of rationality it makes – or needs to make – to organizational behaviour, namely the attribution of a rationality of social control (Boswell 2009:3X): There is “no reason to expect that institutions are guided by a uniform logic of power maximization or rational implementation” (Boswell 2009:3X) of mandated, institutional goals. Institutions consist of people. Their routinized practices and actions that might not at all be related to maximizing some institutional goal; instead, they might rather unintentionally end up in the creation and consolidation of structures and mechanisms of power. The attribution of a consistent pattern of behaviour on organizational action (‘rationality’) is ultimately an ascription made by the observers and is at least from an organizational sociology perspective questionable.

Another problem is to frame the introduction of index insurances in terms of a ‘westernizing’ move. The framing of ‘West’ and ‘non-West’ as cultural spaces is too fixed and over-simplifying: The West – as it is commonly understood – is nowadays, for example, a different one than the West in the 1980s. This includes also the cultural practice of ‘governing through markets’. What is Western and not is highly subjective and context-dependent. What exactly makes the ‘financial capitalist rationality of governance’ a ‘Western financial capitalist rationality of governance’ (Lobo-Guerrero 2010:142 my emphasis)? If the argument is based ‘only’ on the intellectual pedigree, then it is, in my view, a rather problematic argument since it entails a static assumptions

8 Lobo-Guerrero’s volume is also understood as an ‘intervention’.
9 Culture is understood here as being constituted by common meanings, common activities, that is by complex web of meaning and practices. This follows the New Left movement (cf. Bevir/Rhodes 2006:90).
10 The view is functional insofar as the rise of if macro-index insurance schemes is explained analytically with reference to possibilities in the future, that means ultimately teleologically (‘the present is shaped by the future’, by a telos). Note to myself: Is this really functional? Grove basically points to the goals, to the beliefs which direct policymakers to create the CCRIF. Yet,”To say that actors act in pursuit of goals is not to say that the consequences of their actions are also the cause of those actions because goals are not consequences” (Crossley 2011:11)
of ideational change and fixed understanding of the course of history. Ideas do not exist independently of people; they evolve as people travel over time and context. Ideas incorporate other ideas from other people’s time and context and thus become ultimately something new. They are thus rather of rather ‘transcultural’ character (although they might be viable only in some cultural spaces.) Setting index insurance in a historical cultural line to Western capitalism seems to me less convincing than setting it in relation to a global form capitalism (as Grove does admittedly). Moreover, the framing suggests an underlying political discourse of subordination and exclusion where the West imposes its cultural practices on others. Yet, this representation is not always correct. Sometimes states might deliberately ascribe to Western practices and apply them in different ways and thus create something new.

**View on politics: Nominalist and static**

Both methodological accounts endorse an ideational and static view on politics.

In Grove’s case study on the CCRFI logics of actions are ultimately explained by a widely shared, internalized neoliberal discourse that exists in the background (cf. Grove 2012), respectively the minds of local policymaker. This neoliberal representation of the world is originally owned by the ‘significant other’ – the West. Grove demonstrates empirically that local key policymakers have been informed by neoliberal representations and assumes that they have acted based on these beliefs. That means, ideational structures ultimately do the explaining. This is, philosophically speaking, an extreme nominalist position. Formulated more drastically, political life is ultimately reduced to ideas, intersubjective meanings or discourses.

The **problem** with such a perspective is the **de-humanized and static view on politics**. While I have a lot of sympathy for the study of discourses and the constraining effect thereof, I think one has to go back to actors and their interdependent, dynamic relations since there is no process without actors. My argument is that ideational structures cannot constrain an alternative, non-neoliberal, non-Western policy unless or until some group, which is in a position to introduce it, does in fact advocate such a neoliberal policy based on its perceived ‘usefulness’ or ‘rightfulness’. Actors matter. Moreover, this perceptual sorting or categorization by responsible actors do not come out of nowhere as ideas (and thus their evaluation) do not exist in a social and institutional vacuum. Ideas are advocated by the people X and must be accepted by people the Y to be effective. The latter means they must also somehow resonate with the ‘reality’ people Y are embedded in so to categorize them positively or at least useful. Given the different social realities people are embedded in, this cannot be taken-for-

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11 Put it more bluntly, I would not call the practice of shooting a Chinese practice although it were the Chinese who invented the gun powder nor would I interpret the increasing distribution of small arm weapons as an extension of the cultural power of China.

12 This argument is inspired by Archer’s critique on structuralism: „a top heavy demographic structures simply cannot constrain a generous pension policy unless and until some group, which is in a position to introduce it, does in fact, advocate such a policy“ (Archer XXXX:7 in Bell 2011:900)

13 Note to myself: Check out Guzzini 2000
granted; beliefs are always contested (Hacking 1999:10) and thus subject to interpretative struggles. The social processes of transmission (*learning*) or acceptance (*persuasion*) must therefore be theorized and explicated. The acceptance of a claim or evaluation of an idea might be based on different *stimuli*, for example regulatory, social or personal ones (e.g. unwillingness or impossibility to engage with alternative positions, personal ambitions, social expectations, regular previous social interactions etc.). The fact that these communicative processes and *stimuli* and are not explicated in Grove’s account seems to obfuscates that the Western neoliberal knowledge informing the creation of the CCFRI is ultimately rather an ascription made by Grove himself. Again, this ascription can be justified on methodological and theoretical grounds, but a closer look might reveal that it is not so much the internalization or taken-for-grantedness of a neoliberal ideology but, for example, institutional or material constraints, personal ambitions, social ties, previous interactions and social relationships of trust that ultimately informs the motivation to create macro-index insurance schemes.

Put it in rather behavioralist terms, I would argue that, while some logics of actions are indeed connected to the way we describe things, such an essentialist, nominalist view of politics overlooks that people act not only on the basis of or within broader ideational structures but also within a *specific institutional, social and material context* that sets incentives an disincentives “or other rationales for actions that may lead agents to favour some certain developments or choices over others” (Bell 2011:898).

*Theoretical interest of Foucauldian accounts*

All these problematic aspects can be explained with the *general* theoretical interest of Foucauldian accounts: It lies in exposing the role of knowledge in the (re-)production of the social world. In this case, more specifically, it lies in exposing the *broad* conditions, that is the *structure of knowledge*, which made index insurance schemes possible in the first place and the way it constitutes opportunities and constraints for individuals and populations. Generally speaking, Foucauldian accounts are *not* interested in the more ‘classical’ historical, individual actor-centred story about the interactive processes ‘who said what to whom, why and when’ but instead in a more general, abstract story and claim about the *broad* conditions what made it possible for those sentences to be uttered (Hacking 2003:77) and how they shape the possibilities for the future. Power is understood here not as something personally that can be possessed by someone or that is perceived by someone, instead it is of more diffuse, impersonal character and manifests itself in relations or interplay between people. Consequently, the ‘who’, single actors, are also not of analytical interest; the focus lies instead in exposing the ‘how’, the *mechanism of power*, the ways, “the techniques, tactics, strategies” (Peoples/Vaughan-Williams 2010:66) through which people are controlled,
through which behaviour is influenced. Therefore it is only consequential that Foucauldian accounts have an interest in the general, discursive structures, the categories, web of meanings, the practices and their structuring or disciplinary effect and not in specific actors and thus responsibilities for specific outcomes. For their claim it simply does not matter who uttered or did what when under which circumstances.

Making the case for an alternative framework:

As demonstrated, the Foucauldian approaches suffer from some deeper-seated problems that are related to their particular perspective: They attribute organizations a uniform logic of power maximization and social control, employ an antagonist understanding of culture, and they suffer from a nominalist and de-humanized view politics by granting individuals or aggregations thereof no meaningful role. This limits their analytical scope and leads to a highly ideational and structuralist explanation – an explanation which stands in the distinctive Foucauldian tradition and has its value in its own right. Yet, taking these shortcomings as stimulus, what is needed is an interpretative and explanatory account on a lower level of abstraction; one that approaches index insurances as idea and illuminates the constitution of the intersubjective meaning ascribed to that idea. Such an account moves beyond the structural discursive aspect and the ‘longue durée’, it is an account that zooms in, that centre-stages agents and the way they have come to make sense and thus to endorse macro-index insurance schemes. Such a constructivist account clearly downplays the role of broader ideational structures. This is not say that discourses or, more generally, the context agents are embedded is not important. In contrast, I would argue that, for example widely-shared, taken-for-granted positions do indeed confer some arguments in meaning-making activities more plausibility than others (see, for example, Blyth 2003; Widmeier 2004). Yet, I think this plausibility can in principle and should be accounted for. It requires, however, an approach that is sensitive to the political conditions and dynamics at the local level. This sensitivity relates also to the way in which the people populating political institutions, bureaucrats and key decision-maker, are internally and externally connected. I assume that the form and type for relations they enjoy with others – within and outside the institution – makes an important difference, providing the basis for the rise of some ideas over others and thus for some actions over others.

The next section teases out a basic and tentative analytical framework that moves down on the ladder of abstraction and insists on the primacy of active, embedded, interpretative agency. It outlines an agent-centred constructivist approach for the study of index insurances.

14 Against this background, insurance instruments are seen as biopolitical ‘technology of power’.

15 With meaning-making activities I refer to those activities through which individuals make sense of their particular worlds (Schwartz-Shea/Yanow 2012:46)
An agent-centred constructivist perspective

This section tries to develop an alternative analytical framework, namely an agent-centred constructivist one. In the first part I will outline this particular perspective, that is, briefly define what I mean by an agent-centred constructivist perspective, highlight the strengths of such an account and indicate the way it approaches its subject of analysis. In the second part I will develop this perspective. I will do so by making explicit the underlying meta-theoretical basis. That means, I will explicitly theorize the agent, the structure and the relation between agent and structure. I will then lower the level of abstraction, fill the agent, the structure and the relation between agent and structure with content and theorize some factors and processes that seem to me relevant in shaping agency. I will do so by drawing on some insights from historical institutionalism (Bell 2011) and social theory (Rueschemeyer 2009) and refer to these factors as institutional and social dimension.

It goes without saying that this part of the paper is not about inventing a new constructivist perspective. It is mainly based on critical realist reading of constructivism. It is heavily indebted to the works of Seabroke (2007) and Hay (2002) and stands in the tradition of an emerging ‘constructivist institutionalism or ‘discursive institutionalism’ (Schmidt 2011), respectively the broader ‘ideational turn’ (Beland/Cox 2011) in political science and IR more in general. Yet, its particularity lies rather within its conceptualization of the institutional and social dimensions that shape orientations.

Outline of an agent-centred constructivist perspective: Definition, strengths and approach of an agent-centred constructivist perspective

An agent-centred constructivist approach or ‘unit-level constructivism’ (Reus-Smit 2002:XXXX) basically “eschews overly structural conceptions of state behaviour” (Houghton 2012:150) and gives a key role to individuals or aggregations thereof within public institutions and outside public institutions and thus their ideas and actions (Seabroke 2007). Such a perspective blurs the usual public-private distinction. The way I conceive the perspective here emphasizes the social dimension in policymaking without loosing sight of the more formal, institutional dimension. Its strength lies in providing an account for how actors inside and outside institutions might have influenced meaning-making activities, that is, provided impulses for the persuasiveness of some ideas and thus provided an impulse for a policy change16. More empirically speaking, it brings some insights on how, for example, the practices and the perception of the ‘relevant other’ (e.g. electorate, private actors, key decision-maker etc.) might have shaped and fuelled attitudes towards a policy idea and thus the

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16 Seabroke (2007), for example, provides an agent-centred constructivist account on how the mass public’ itself provided impulses for institutional change.
preference-formation – alongside other institutional factors (e.g. mode of interaction; distribution of competences; participants of interrogations etc).

The framework variant I subsequently want to develop here centre-stages local policymakers and their social meaning-making activities (e.g. ‘learning’/‘persuasion’). It is based on the driving empirical research question ‘How and why have local policymaker come to form a positive attitude towards index insurances?’.

Although I centre-staging local policymaker or key decision-maker and their meaning-making activities, an agent-centred perspective does not imply that it is them who are actually the (deeper) driver of a policy change. As already stated, an agent-centred perspective confers the ‘relevant other’ in social meaning-making processes some agency. Who is the ‘relevant other’ is conditioned upon the institutional structure (institutional dimension) and upon ‘previous’ or ‘anticipatory socialization’ (social dimension). Thus, as governors local policymaker might be responsible for the policy change in a political or legal sense but the perspective assumes that pre-ceeding institutional conditions and social processes and dynamics might have shaped their attitudes in these meaning-making processes and provided though impulses for the persuasiveness of an idea. How this for institutional and social form power actually happens needs some explicit theorizing (for tentative try see next section). Hence, the way I conceive an actor-centred constructivist perspective does not imply that the institutional structure local policymaker are embedded is not important. Quite the contrary, again I assume that the institutional context with its formal regulatory structures, distribution of competences, material capacities etc. does matter for how an idea becomes persuasive among decision-maker. Yet, the actor-centred constructivist perspective looks beyond these formal structures and opens the institutional black-box. It assumes that the social context “in which actors find themselves in, the others involved and the relations they enjoy with those others” (Crossley 2011:2) – outside and inside the institution – shapes the actors’ way of thinking and acting and thus ultimately also the public preference- or interest formation in institutional structures. The shaping-aspect is in no sense meant deterministically since I basically assume the prımary of agency. The prımary of agency is based on the axiom that “[i]ndividuals can reason creatively in ways that are not fixed, nor even strictly limited by, the social contexts or discourses in which they exist” (Bevir/Rhodes 2003:32 in McAnulla 2008:116; my emphasis). Yet, it is the claim of such an agent-centred perspective that the social relations to others and, in particular, the qualification of these social relations due to, for example, previous interactions or anticipation of future benefits, do matter. Such a view entails an endogenous dimension of preference formation.

To put the advantages of in a nutshell: An agent-centred constructivist perspective, giving a key role to individuals and aggregations thereof, cannot only absorb the structuring force of regulatory practices (institutional dimension) but has the additional advantage of being able to integrate an often neglected social dimension in agreement, recognition or acceptance of an idea or an argumentative claim. It does so by blurring
the distinction between public and private. It is able to account for the institutional and social dimension in the meaning-making processes of local policymaker and fills though important analytical and thus the empirical shortcomings left by the Foucauldian analysis of index insurances.

Towards an agent-centred framework for analysis

My goal is to understand explanatory (cf. Weber 1920/2002:658) why index insurances resonate with local policymaker. Central for an interpretive account is thereby that meaning motivates action (Schwartz-Shea/Yanow 2012:46). Central for an explanatory account is a conception of human behaviour17 that says something more general about the relation between meaning and action, respectively knowledge and practices (Choi 2007:XXXX in Bevir 2007). This section disentangles the basic and interrelated metatheoretical propositions informing this agent-centred constructivist account.

Metatheoretical issues: The ontological basis – The conceptualization agency, structure and their relation

This section sets out the ontological basis for my agent-centred constructivist framework. This ontological theorizing is necessary to extend that it clarifies on an analytical level what we see in the first place and the relative significance of agential and structural factors for the explanation of social and political phenomena (Hay 2002:92-93)18.

The agent-centred constructivist explanation I want to develop is on a notion of a socially and institutionally situated, active agency, that is, the idea that pre-ceeding institutional structures and social actions and inter-actions might shape agents in a way they are not necessarily conscious of19. This understanding of the social world cannot be taken-for-granted and is based on a critical realist understanding of the social world. This section will make these underlying assumptions and conceptualizations explicit.

Modelling the agent: the relation between knowledge, meaning and action

A focus on meaning-making implies some basic meta-theoretical understanding on what informs meaning-making and on how people make sense of the world. As already indicated, following interpretative research, I view human beings not as passive objects of a certain structure (like, for example, in some strands of Marxism) but as agents (Schwartz-Shea/Yanow 2012:46). That means I axiomatically believe they have the capacity to think and act actively. At the same time, however, they are situated a certain context (e.g. social one and material one) that frames their possibilities for thought and action (see section on structure). To be more precise, I view people as being, in principle, capable of reflecting consciously on the context, that is making sense of it, and

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17 Behavior is understood here as „repetitive actions“.
18 It maybe noteworthy that „perspective on structure and agency cannot be falsified – for they make no necessary empirical claim“ (Hay 2002:93).
19 ’Not necessarily‘ implies that they might indeed be conscious of.
**purposeful** interact with the context (Hay/Rosamond 2002:147). The *basis* for that (social) (inter-)action with the context is *meaning*. Thus, an interpretative stance holds that they way human beings *interpret* the context, the way the understand the context – that is, make sense of the reality – they are embedded in is relevant for strategic decision how to act (Hay/Rosamond 2002:147) to realize certain outcomes (Hay 2002:129).

Knowledge is thereby the ultimate basis upon interpretations, and thus actions are built. Why knowledge? The claim is that the way agents structure their experience (– that is they reason about their past) – influence the way they think and make judgment about a situation (– how they *interpret* a situation –) and thus influences they way the behave (Aquilar/Galluccio 2008:51). Such a view based on a pragmatic notion of knowledge. That means, I assume that knowledge is primarily of *practical utility*. Knowledge serves not only the purpose of making sense of a situation we find ourselves in but ultimately to “craft a response to it” (Jackson 2011:124). Knowledge is thereby learned. It is based on previous experience, on ‘lessons’ drawn from past experiences, on normative elements, on ideals and values of right and wrong, and constantly reshaped by new situations, new experiences, new interactions. It results from a sort of ‘creative historical reasoning’. Knowledge is therefore not a stable category but a provisional product of reflections and subject to constant feedback mechanisms (cf. Ruschemeyer 2009:49). As Jackson has put it (referring to Nietzsche) knowledge “is not a firm grasp of the way that the world is in and of itself but a practical and useful way of organizing our experience” (Jackson 2011:124) to be capable of acting, of dealing with a situation faced. The overall point is that I assume that knowledge (or more precisely the practice of reflection) drives interpretation and interpretation drives subsequent goal-orientated action.

To the extent that agents “are interested in their outcomes of their actions” (Rueschemeyer 2010:40) I assume they follow two *logics of action*: the ‘*logic of consequences*’ (LoC) and the ‘*logic of appropriateness*’ (LoA). In the former logic, “actors choose actions for their perceive utility in reaching some goals; in the latter logic, actors’ choices are directed towards social expectations of right or wrong, regardless of efficiencies of outcome” (Houghton 2012:151). In the LoC agents’ action is driven by an instrumental, intentional calculus in the LoA agents’ action is driven by “rules of appropriate or exemplary behaviour, organized into institutions. Rules are followed because they are seen as natural, rightful, expected, legitimate” (March/Olsen 2004:2 in Houghton 2012:151), they do “what they see as appropriate from themselves in a specific type of situation” (March/Olsen 2004:2 in Houghton 2012:151). Although both logics are often portrayed as being incompatible in terms of the broader rational choice vs. constructivism-debate, where actors are either purpose-oriented or norm-orientated actor, this mutually exclusivity is not a logical necessity. First, both operate with a goal-orientated actor (Rueschemeyer 2009:29) who confers meaning to his/her action. Second, they work on different levels (Houghton 2012:152): The ‘logic of appropriateness’ approach explains why certain options that fail to comport with
accepted social rules, norms, conventions are never seriously considered by actors, the ‘logic of consequences’ instead “refines our understanding of the ways in which policymaker decide” (Houghton 2012:152). I follow Houghton (2012) and Shannon (2012) and argue that “both [logics] are critical to an understanding of decision-making” (Houghton 2012:152) and can in principle be combined. [This is reflected in the later arguments, see section on social dimension]

Such a pragmatic view on theory of action entails the assumption that any action is in a Weberian sense ‘meaningful action’, that means, it is endowed with a certain meaning, it relates to something (e.g. the physical/social environment) and it expresses something. To understand – that is to interpret – the subjective meaning, actors confer to their actions is though of analytical importance. [Social action is thereby action, related to others (Weber 1920/2002:653).]

As indicated above, I axiomatically assume situated agents. That means, agents are embedded in a particular social and material context. They are part of this context. The ‘lived experience’ of this context through engagement shapes their way of thinking and subsequent acting. I assume that agents respond to these material and social circumstances, that is the material possibilities and actors they engage with, in an active, collaborative manner (Schwartz-Shea/Yanow 2012:46). That means basically, agents draw resources and inspiration from these contexts. Their interpretations of the context and their subsequent actions are though highly contingent on others actions, position, expectations etc. (cf. Aquilar/Galluccio 2008:49). This notion is based on an axiomatic understanding of agents as social agents (homo sociologicus). The immediate social context agents are embedded in, their social ties to other people, respectively agents’ perception thereof, has decisive (conscious and unconscious) influence on agents’ thoughts and actions. As Aquilar/Gallucio has put it: Social interactions “always involves the building of perceptions” (Aquilar/Gallucio 2008:8). The meaning agents confer to their actions must though be interpreted in the light of the wider social context they are embedded in. Analytically this requires apprehending the (subtle) situation agents are embedded in. Consequently, the social position and relations where actors are embedded in have to be mapped and understood, that is further qualified (from an actor’s perspective).

Overall, such a relational, agent-centred constructivist perspective acknowledges that agents engages reflexively and act purposefully with their immediate social context. It comes throughout close to Hay’s strategic-relational approach – although Hay

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20 And I also assume that it is in principle possible for the researcher/observer to plausibly reconstruct that meaning.

21 This is basically a central idea of Marxist thought (cf. Rueschemeyer 2006:777)

22 Hay argues that at the core of a strategic-relational approach is „the interaction between strategic actors and the strategic context within which they find themselves” (Hay 2002:128). As pointed out by Marsh „agents are viewed as conscious, reflexive, and strategic and, in reflecting on their behaviour and preferences they can change them...” (Marsh 2010:128).
emphasizes, as the label indicates, the strategic, intentional content of action (Hay 2002:128) and arguably downplays the ‘appropriate’, and thus maybe ‘unreflective’ or traditional, ‘affective’ or emotional content of interpretation that also informs social action 23.

Structure and its relation to agent
Although I assume that agents are basically active, reflexive, meaning-making agents that are capable of making conscious and strategic choices among different imagined courses of action, this does not mean that they always do so. To prevent an ‘ideational voluntarism’ or crude empiricism in which all political outcomes are read off from the reflections, “the desires, motivations and cognitions of the immediate actors” (Hay XXXX:65; in Bell 2011:888) and where all causal weight is ultimately burdened onto conscious, reflexive strategic agents and their ideas – as arguably in Hay’s account (Marsh 2010:218) – I would follow the critical realist position and endorse a dialectical, constructivist approach in which structure and agency have an own distinct ontological status and not only a separate analytical one 24 (cf. Marsh 2010; Bell 2011). Such a dialectical approach confers the material or social structures within actors act (e.g. material conditions; institutions) an own causal weight of which agents are not necessarily conscious of (Marsh 2010:218). Basically, it contents that policymaker’s reflexive interpretation of the context are only a part of the explanatory picture and argues that temporally pre-existing conditions structure agents’ thoughts and behaviour “in a pre-reflexive way, or pre-conscious way” (Marsh 2010:220). It argues, for example, that the structure of the economy, institutional design and rules or stabilized social practices (routines) tacitly existing in the background enable or constrain agents’ thoughts and actions in a manner they are not necessarily conscious of. These structural conditions external to agents are ‘generative’ in the sense that they create a potential for specific thoughts and actions; they influence agents involuntaristically in the sense that “impose costs or benefits on agents” (Bell 2011:892) since they have to orient themselves on these. These structural conditions provide though a stimulus for agents, they affect – but do not determine – what agents can make of the circumstances they find themselves in (Archer 1995:196). Put it differently, they represent “the favouring or hindering circumstances” (Weber 1926/1978:7) through which agents have to navigate, have to struggle with because they are embedded in. These circumstances empower and disempower, for example, some ideas, actors, policy

23 The present action model follows though more the Weberian action model, which assumes that social action may take different forms: instrumental rational, value-rational, emotional and traditional (Rueschemeyer 2009:29). Hay emphasizes rather one action model, that is the strategic, instrumental one (cf. Hay 2002:130-131)
24 This is, for example, the position of Hay 2002:127. Here he argues that in his strategic-relational approach „the distinction between structure and agency is taken to be a purely analytical one” (Hay 2002:127).
25 With external I want to point out that the circumstances confronted by agents „were not of their making” (Archer 1995:196). They exist independently of the agents themselves (Archer 1995:197 referring to Bhaskar XXX:14)
measures etc. But these conditions are themselves devoid of meaning in the sense of they “cannot be related to an intended purpose in the role of means and ends” (Weber 1926/1978:7); they have no properties such as intentionality or rationality as agents have (McAnulla 2006:121). Instead, these structural elements are the antecedent constitutive elements that predispose agents’ possibilities; they “condition us involuntaristically” (Archer 1995:197); they delimit what can be thought and done; they prescribe the horizon for agents of what is thinkable, possible and feasible. These conditions might equip (aggregate) institutional actors like, for example, a ministry, only with a certain set of expertise, capabilities, competences, resources etc. (cf. Bell 2011:893). I assume that these conditions, be they institutional, legal, financial, temporal, ideational and so forth exert an indirect, ‘unconscious’ influence on agents. This is not to say that agents are unreflexive, passive objects but rather that they also act in an unconscious, habitual way (Arkam 2012:57) since they have embodied, that is have already learned or take-for-granted certain conditions.

Such a dialectical view assumes that individuals respond to the circumstances they find themselves not only in a reflexive but also in a rather unconscious manner by, for example, taking these circumstances ‘automatically’ – that is without explicitly thinking about them – into account when they engage with the environment. This enabling or constraining function of the context does mean that the given conditions ‘select’, activate (cf. also Hay 2002) or promote certain attitudes and preferences that have already been embodied (through previous experience, engagement etc). The structuring forces are primarily only an ascription made by the researcher, a position which might be, admittedly, methodologically problematic.

However, the strength of such a critical realist-informed constructivist perspective is that it emphasizes resonance, that is the facilitating or hindering circumstances. It opens up to understand explanatory (cf. Weber 1920/2002:658) why index insurances resonate with local policymaker; why, for example, strategic actors as lobby groups have been capable to mobilize local policymaker for index insurances precisely in this moment and in these circumstances. Ultimately, it remains, however, only one possible – hopefully plausible – ex-post explanation or hypothesis we can ultimately not be certain of.

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26 To give an illustrative example for such a ‘unconscious’ influence: Key decision-makers’ time is limited, it thus can be conceived as a structurally „inherently finite resource” (Shove et al 2012:127). This time constraint prevents policymaker from engaging equally deep into different issues. The engagement with, for example, difficult policy ideas will take more time and leaves though less time for engaging with alternatives. Once the time is invested you would rather stick to that (‘path dependency’). The allocation of time subsequently empowers some ideas over others. The allocation, of course, also shaped by framing issues: An easy, accessible language is arguably right from the beginning empowering for some ideas.
Filling the meta-theoretical conceptualization with content: Institutional and social dimensions in policymaking

This section tries to fill the abstract propositions about agency, structure and their relationship with some content. I will do so by relying on some theoretical ideas from institutionalist accounts (Bell 2011, Scharpf 1999) and broader social theories frames (Rueschemeyer 2009) to point to the impulses coming from institutional conditions and the social context and dynamics policymaker are embedded for the resonance of ideas and thus policymakers’ subsequent motivation to endorse a policy change. I draw on institutionalist accounts to fill the agency-structure relationship primarily not only because I buy the overall institutionalist argument that “institutions matter” in shaping “choices, behaviour and even the interest and identities of agents” (Bell 2011:883) in a direct and indirect way but in particular because the reviewed Foucauldian accounts also attribute a rationality of power maximization and social control to institutions without taking further into account the complexity of institutional conditions, processes and dynamics – that is, the institutional dimension of politics – like as well as arguably the emerging ‘post-structuralist’ or discursive institutionalist accounts (Panizza/Miorelli 2013:302). I draw on some theoretical building blocks from social theories since they offer a set of arguments relevant for further specifying why and how agents inside and outside the institution can become important player in shaping policymakers’ attitude towards an idea. I refer to the latter as social dimension of politics.

Analytical goal and approach

Again, my primary empirical goal is to understand and explain the resonance of index insurances among local policymaker (mid-level bureaucrats, key-decision-maker). The analytical attention centre-stages though the social processes, that is, the way through which local policymaker have come to form a positive attitude towards index insurances. The analytical direction is therefore to the interaction between those who brought or advocated the idea of index insurances (e.g. so called ‘policy entrepreneurs’ (Finnemore/Sikking 1998), ‘advocacy coalitions’ (Sabatier 1993), ‘carrier of ideas’ (Shove 2012) or more simply interest groups27) and those who accepted those argumentative claims and ultimately created this policy idea: local policymaker28. These social processes can (provisionally) be termed ‘persuasion’29.

Since I assume that policymaker are embedded in an institutional environment that already exists – that temporally precedes them – this has to be accounted for in the

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27 This includes economic actors such as insurance companies as much as civil society actors or international organizations like the World Bank. I talk of here of them as aggregate groups with a clear goal or interest.

28 This is based on the constructivist idea, that “the better part of people’s knowledge is derived not from the actors’ direct observation and their own analysis but from the information and understandings conveyed by others” (Rueschemayer 2009:43).

29 Persuasion is understood here as a “social process of communication that involves changing beliefs, attitudes, or behavior in the absence of overt coercion” (Checkel 2008:117)
analysis these processes of persuasion. Following Bell, I assume that institutions “are though ontologically prior to agents” (Bell 2011:891) and thus shape in a substantial manner the resonance of an idea since agents have somehow to navigate through these existing conditions. They frame, they structure (although do not entirely determine) what is possible in the sense that the enabling or constraining conditions add to the ‘whys’ and changing ‘hows’ that underlie these sense-making ‘what-can-we/should-we-do’ statements in these processes of persuasion.

Moreover, in contrast to the more conventional view I do not view persuasion as a one-way street whereby these ‘promoters’ (‘speakers’) convince local policymaker (=audience) of the usefulness, rightfulness and/or feasibility of index insurances simply by demonstrating or arguing to adopt a certain policy instrument in connection with a certain analysed problem. Even if the institutional structure and conditions gives certain actors an advantage in terms of patterns of access this does not guarantee that these promoters will succeed with their claims. Persuasive processes are not communicative processes that happen in a power-free space. It is though important to further qualify the social relation between the interacting parties by paying particular attention to ‘previous’ or ‘anticipatory’ processes of socialization. In this context, it is important that the ‘relevant other’ that structure these processes of persuasion compromise actors external and internal to the institution.

As comes out of the previous (meta-) theoretical journey, I assume that the institutional context and social structure and dynamics can affect agents in a pre-conscious way that temporally precedes the actual process of persuasion. In the next section I will make these tentative claims more explicit and point to some institutional dimensions and social dimensions that might shape the process of persuasion.

Institutional dimension: Formal and informal rules conditions shape orientations

The influence of institutions, understood in terms of formal and informal rules, ‘norms and conventions’ (Hay 2002:106) on policymakers’ attitudes and actions has been well understood in an agency-centred institutionalism. Scharpf (1999) points out that interactions happen in a certain institutional structure that defines or structures not only the overall ‘mode of interaction’ (through, for example, codified formal or conventional procedures) (Scharpf 1999:45-47), but constitutes also the actors and ‘actor constellation’ (e.g. who participates in that interaction). These formal aspects organizes the influences actors are set out since it gives some actors an opportunity to spread a certain idea while it denies others this opportunity. It thus creates unequal patterns of access. Moreover it delimits institutional actors’ competences and resources, that is what is in their reach. This includes also time arrangements, that is the time policymakers have to discuss different issues. Time is indeed a constraint policymakers are set out (cf. Shove et al 2012:XXX). It might limit the number of actors they can

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30 I am following the claim made by Seabrooke (2007:796) regarding processes of legitimacy.

31 ‘Can’ implies they do not have to.
engage with. These institutional conditions shape though “important aspects of the situation that confront individual actors” (Lieshout XXXX:3 referring to Mayntz/Scharpf 1995:49).

While this formal institutionalist perspective emphasizes that institutions pre-structure thought and action in a substantial way since it create uneven opportunities, it emphasizes only one aspect how attitudes are generated, that is the formal dimension. What might be of even more importance is the informal, social dimension, that is the ‘lived experience’ of policymaker in institutions. The social dimension points to policymakers’ anticipation and trustworthiness of the ‘relevant other’ derived from the experience of their everyday life of institutional processes.

Social dimensions:
Anticipation of the ‘relevant other’ shapes orientation (‘anticipatory socialization’)
Drawing on reference group theory I argue that policymakers’ assessment of what ‘promoters’ argue for, if that policy tool is right or wrong, useful or not useful, politically feasible or not, is also very much shaped by “what they see as the experiences and the views of others – that is by ‘referring’ to one or another group that seems relevant to them” (Rueschemeyer 2009:11). Such an argument points to the role of ‘anticipatory socialization’ and makes a case for “that expectations and views are derived from the experience of others matter decisively”32 (Rueschemeyer 2009:12). Depending on the position of the policymaker I assume that the ‘relevant other’ might be primarily another institutional actor on a higher level of hierarchy or another institutional actor policymaker look to. Top decision-maker, such as ministers, might look, in particular, to their own electorate and/or party members of which they seek support. If the arguments advocated by the promoter are at odds with the ‘relevant other’ they might prove quite resilient. If they appeal instead the ‘relevant other’ they might easily be accepted.

Trustworthiness shapes orientation (‘previous socialization’)
I argue that trust is of decisive importance for the agreement with, the acceptance or recognition of a claim. This argument points to the way in which policymakers view the promoter. Previous interaction, experience with them, their financial power and social attachment matter for trustworthiness (if the promoter is ‘reliable’, ‘competent’ actor). The latter refers to the others’ position in the social structure, or more precisely, the valuation of the promoter by the audience: The “well-off – those with more education, greater wealth, and more power – have a better chance to gain and to spread information, analysis and interpretation” (Rueschemeyer 2009:44). Why does trust matter? As elaborated by Rueschemeyer, “the actors who communicate or receive information and analysis may have divergent interest” (Rueschemeyer 2009:44). The

32 The problem of reference group theory is, as pointed out by Rueschemeyer that „it does not tell us under which conditions in any particular case who looks to whom with an impact on which standards of judgement” (2009:12).
information sponsoring party, be they individuals, international organizations or economic lobby groups, might keep some information for own purposes that prevents the other from drawing certain conclusion since they can take some advantages of that knowledge asymmetry. Moreover, as pointed out by Rueschemeyer (2009:44), knowledge or the search thereof is always interest-driven or goal-orientated. Information is thus always only partial. The questions of interest “vary across actors and categories” (Rueschemeyer 2009:44). I assume that policymaker take this into account.

**Social dimension: Accommodating rhetorical practices (“previous socialization”)**

Slightly modifying Moon’s argument (2013), I argue that the way something is formulated and communicated (‘the how’) matters for the acceptance of a claim. To assert a certain position requires to create a shared understanding (cf. Moon 2013:117 referring to Laclau/Mouffe 2000:105 – 106, 134), respectively ‘a common language’. This language must somehow match the assumed preference or understanding of the other. This requires a certain portrayal of a problem and thus a certain logic. In particular, it requires an easily accessible language so that policymaker can understand what the promoter is talking about. In a neoliberal political climate one would hardly get the approval of an argument if one starts an argument pointing to class struggles between capitalists and working class members. Moreover, it needs the policymaker’s appeal so that they are convinced of the relevance of promoters’ idea for their own problem. To get the appeal of policymakers, promoters might seek the ‘unofficial’ or repetitive contact with policymaker, give them work-in-progress drafts beforehand and ask them for feedback on that, so that they can see their influence on templates (cf. Mikes et al. 2013:5). Previous or continued personal interactions and assistance to understand complex content might further shape the attitude (Mikes et al 2013:5).

**Conclusion: Key implications of such an approach for research**

What I am arguing for is that analysis of the intersubjective construction or interest-formation requires to go beyond persuasive ‘who-said-what-to-whom’ story. It also needs to collect empirical information of the institutional context and local policymakers’ understanding on others to find out where local policymaker look and defer to. Theoretically it implies that mechanisms of socialization precede mechanisms of persuasion (cf. Seabrooke 2007). This is contrary to common view, endorsed, for example, by Checkel (2005, 2008). He argues that mechanism of persuasion proceed processes of socialization. Moreover, the social dimension perspective emphasizes that politics does not happen in a social vacuum. It gives us an account for the social influences in policymaking (e.g. trust, experiences) and tells us that what is going on within institutions and beyond the state level is important. Thus, it allows us to understand and explain how actors outside the state level – economic actors but also civil society groups, the electorate or the broader mass public (for the later see Seabrooke 2007) – some capacity to shaping institutional politics and transcend though the public-private divide often uphold in political science accounts. Again this
sociological view is neither new nor is it mine. It is particular endorsed by Seabrooke (2007). But I think it could provide interesting insights on how, for example, changes in the institutional structure, changing understanding of 'the relevant other', and rhetorical practices can provide impulses for the resonance of an idea and thus for a policy change.

Word count: 11.770

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