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Laying Down the Principles:

How Local Socialist Achievements Spurred National Bourgeois Support for Non-Contributory Pensions

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We develop a perspective of locally embedded welfare state development to explain how relatively weak national political actors can nonetheless shape national policy over time by pursuing local reforms. Empirically, we assess our argument by using municipality-level vote shares, data on non-contributory pension reforms, roll-call votes from parliament, and archival material from early 20th-century Norway, where several local governments introduced non-contributory old-age pensions before a national scheme was adopted. We show, first, how (nationally underrepresented, but highly institutionalized) socialist parties with geographically concentrated support introduced local pensions. Over time, they thus shaped the possibility space for national reform, effectively locking the national policy-agenda to a pension system preferred by the socialists, namely non-contributory pensions. Citing high municipality-debt pressures in their constituencies, bourgeois politicians from districts with local pensions eventually supported and promoted national-level pension reform. This, in turn, spurred the cross-class alliance required to establish a national non-contributory pension system.

Introduction

The choice of pension system shapes the extent and way in which a country protects its citizens against the vagaries of old age. One fundamental pension-system design choice is between adopting social insurance financed by individual contributions and a non-contributory pension financed through taxes (Baldwin 1990; Bonoli 2003, 400; Lynch 2006; Ebbinghaus & Gronwald 2011). Non-contributory pensions come in different forms, with level of redistribution depending on whether payments are means-tested or universally provided. Further, level of protection for low income-earners depends on whether payments are flat-rate or earnings related.¹ Yet, when faced by early 20th-century policy makers in current OECD countries, the choice between a contributory and non-contributory system turned out to constitute a critical juncture, leading countries down different paths of welfare development with implications for pension stratification, coverage, generosity, public-private mix, and implied redistribution (Esping-Andersen 1990; Øverby 1998; Lynch 2006; Häusermann 2010; Ebbinghaus & Gronwald 2011).

We study the political strategies and processes behind adopting a (basic) non-contributory pension system. Our argument concerns locally embedded welfare state development and applies to country contexts with decentralized state structures, institutionalized parties, and extensive suffrage. We show how actors that lack clout in national-level political institutions (in our case early-20th century Norwegian socialist parties) may still influence national-level pension policy via shaping municipal pensions and thereby – indirectly and over time – the perceived viability and fiscal costs of different pension system options. Thus, they can eventually create the broad, national coalitions required for their preferred outcome (in our case a non-contributory pension system).

¹ See, e.g., Häusermann (2010, 34-44). Also, under contributory systems, insurance can be compulsory or voluntary and benefits paid from current tax revenues (Pay-as-you-go; PAYG) or prefunded contributions. Non-contributory pensions are PAYG, but can require a means-test (e.g., household or individual income or property) or have a simple residency requirement.

Historically, non-contributory pensions have often provided decent levels of protection even in less developed economies (Schmitt, 2020), potentially contributing to the wave of recent adoptions in low- and middle-income countries (Böger & Leisering, 2020; Carnes & Mares, 2014). However, the first nationwide such pensions were implemented more than 100 years ago in Scandinavia. While Scandinavian non-contributory pensions were initially means-tested,² they laid the foundations used by later reformers to transform them into “people’s pensions” with high degrees of universality and generosity (Baldwin 1990; Lynch 2006, 11; Ebbinghaus & Gronwald 2011).

What factors – especially pertaining to political actors and strategies -- contributed to the adoption of non-contributory old-age pension systems, historically? One factor could be the influence of strong socialist parties, as relevant non-contributory systems presumably benefitted their core constituencies, notably urban workers (Korpi 1989; Stephens 1979). However, Baldwin (1990) argues that socialist parties were too weak at the time of adoption to have played any decisive role in Scandinavia. This notion of socialist weakness is echoed even by theorists focusing on the role of the working classes in inducing welfare state development (e.g., Esping-Andersen & Korpi 1986, 43). Instead, bourgeois parties, and especially parties associated with farmer interests, have been widely regarded as responsible for the non-contributory character of early Scandinavian pension (Baldwin, 1990; Esping-Andersen & Korpi, 1986; Nørgaard, 2000; Manow, 2009).

Yet, the above-referenced studies focus primarily on national legislation, thereby overlooking one important feature of non-contributory pension system development. In this paper, we highlight the importance of local-level social policy development, also for the subsequent adoption of national programs, by analyzing early 20th-century Norway. Norway enacted a non-contributory

² The Danish 1899 non-contributory pension contained a stringent means-test on household property and income. The Swedish 1911/12 pension combined contributory financing (and low replacement rates; Debes 1919, 42-43) with state- and municipality-financed means-tested supplements.

pension system in 1923.³ But the pre-legislation process started right after 1890s, when Conservative and Liberal politicians pushed their (different) preferred *contributory* systems, without anyone garnering sufficient support.⁴ A commission was tasked in 1907 to propose a new social insurance scheme that could achieve majority. Illustrating their debility, socialists were unable to garner the votes to even have their preferred non-contributory tax-financed system evaluated. Less than two decades later, a split Conservative government would put forward (two) old-age non-contributory pension acts modelled on the socialists' preferred model.⁵ While the party's vote in parliament was divided, several Conservatives now supported the socialist pension model. How could this broadened support for the non-contributory pension model have come about?

The explanation for this turnaround, we argue, is found in local-level policy developments. Faced with a national deadlock between Conservatives and Liberals, who either resisted pensions or pursued their different, preferred social insurance schemes – resulting in no nationwide public protection for old-age (except poor relief) – local innovation flourished. Local governments used their fiscal powers to enact local non-contributory pensions. Starting in 1916, many Norwegian municipalities adopted non-contributory pensions programs.⁶ In 1925, 108 of 701 municipalities, encompassing almost half the population, had introduced old-age pensions (Statistiske Centralbyrå 1931, pp 293). We discuss how these local-level developments shaped subsequent national pension legislation. And, by acknowledging the vital role of local developments, we argue that socialist

³ The 1923 non-contributory pension act was never implemented, but locked in the principles underlying the pension system finally implemented (with minor changes) in 1936 (Seip 1981, 40).

⁴ Seip (1981,40) notes that the national “debate between the bourgeois parties was more about different ways of applying the social insurance principle.” Conservatives preferred class-based social insurance, whereas Liberals favored an encompassing contributory option where all residents would be compulsory insured. Since it required a fund, the first pension payment would take decades.

⁵ The 1923 act was modelled on the old-age pension introduced by socialists in Kristiania (Oslo). The 1924 proposal for government subsidies for local pensions was modelled on a 1918 socialist proposal (compare Debes et al. 1918, 93-101; Innst. O. IX 1924).

⁶ All applied a standardized income- or means-test at the individual or household level, and varied in benefits levels, retirement age, residency tests, and additional protection against widowhood and disability (Statistiske Centralbyrå 1931).

parties, which were highly institutionalized and had strong local representation in several areas, were a more important driving force behind pension adoption than typically recognized. The socialists' main arena of political influence was local politics and their influence on national pension development worked indirectly via this channel.

In early 20th-century Norway, (recently) institutionalized socialist parties used their concentrated vote support to implement their preferred non-contributory, tax-financed pension system in many municipalities. Once in place, the legacy of municipal pensions shaped the national agenda, creating positive feedback effects for national pension reform. This process had two components. First, local reforms allowed socialists to show their preferred model's viability. Combining the implementation of local pensions with petitions for parliament to consider national schemes, turned out to be an effective strategy. Second, politicians from conservative and liberal (i.e., "bourgeois") parties from districts with pensions programs would eventually come to support national pension reform along socialist lines to offset local financial pressures. Thus, while socialist parties were too weak to *directly* enforce their preferred model nationally, they shifted the national agenda over time through local policy legacies, thus creating a national cross-class coalition for their preferred outcome.

We assess different implications from our argument. *First*, we use municipality-level vote shares and pensionreform data, to show how local non-contributory pensions in Norwegian municipalities were correlated with strong programmatic parties, especially socialist ones. *Second*, we use roll-call votes on national pension reforms to show how bourgeois MPs from districts with local pensions were more likely to vote for national pension programs or state subsidies of local programs – both were opportune ways to decrease costs and solve debt crises in their municipalities. Importantly, MPs from pension-covered districts were *less* likely to support other generous welfare proposals, suggesting that the association was not due to some general preference for redistribution in these districts. *Third*, we draw on archival material, and notably statements

from bourgeois MPs during parliamentary debates on pension reform, to substantiate the mechanisms of local policy legacies. Bourgeois MPs favoring national pension reform pointed to local pensions as a reason for their support. We also present qualitative evidence indicating that socialist politicians and associated actors were aware, early on, that these dynamics could take place, providing extra motivation for pursuing local-level pension reforms.

Thus, by drawing on work on policy legacies (Pierson, 1993,1996; Skocpol, 1992; Weaver, 2010), policy change (Hacker 2004; Beland & Hacker 2004), party institutionalization (Lynch, 2006; Orloff & Skocpol, 1984; Pribble, 2013; Rasmussen & Knutsen, 2021), and municipality socialism (Cohn 1910; Leopold & McDonald 2012), we present a perspective of locally embedded welfare state development. We show how actors with limited representation in national institutions can nonetheless shape national welfare policy in the longer term by pursuing local reforms. In essence, *local* political conflict and party institutionalization can shape *national* coalitions for or against welfare policies through policy legacies and agenda-setting. We expand on these broader lessons, scope conditions for our argument, and potential for generalization to different policy areas in the conclusion.

Literature review: old-age pensions and local politics in early-20th century Norway

Most studies analyzing the historical development of old-age pensions in Norway have focused on national-level reform proposals and legislation. The seminal text remains Seip (1994, 257-280). Seip, in fact, also invokes local-level developments and suggests that individual moral considerations and prevalence of municipality pensions enhanced conservative support for the non-contributory pension proposal, but without providing detailed evidence. Petersen and Åmark (2006, 156), however, argue the opposite, namely that “the existence of the municipality pensions made it easier to postpone the national reform”. Others highlight external factors. Rasmussen and Knutsen (2022) argue that pension reform was only seriously considered in conservative elite circles after the Bolshevik revolution and the revolutionary threat of labor became prevalent. With the

revolutionary threat ebbing out in the mid-1920s, conservative reform initiatives dissipated. While external factors were arguably important for the timing of reforms, this does not explain why conservatives supported the non-contributory system preferred by the socialists, instead of supporting the (class-based) contributory system preferred by the Conservative Party some years earlier or the Liberal Party's proposed contributory system with universal compulsory insurance.

There are few comparative treatments of early Norwegian pension development. Among them, Kuhnle (1978) documents how diffusion of old-age pension models shaped Scandinavian developments. Skevik (2004) tracks the development of widow pensions and Espeli (2019) of collective occupational pensions. Esping-Andersen and Korpi (1986, 44-45) argue that early pension efforts originated from Scandinavian liberal parties' greater dependency on rural small holders, resulting in these parties' greater inclination to forsake the self-help ideology of insurance schemes. Furthermore, Esping-Andersen and Korpi propose that socialist impact was marginal, "having virtually no direct political influence" (Ibid., 43).

Notably, Baldwin (1990) argued that Scandinavian social reformers needed to win over farmers, who demanded a non-contributory pension system since they lacked monetary capacities to insure within a contributory system. Farmer parties and other organized interests demanded that farmers be included in any new system, and their preference for a non-contributory system pushed Scandinavia in the universalist direction. Supposedly, farmers also had self-interest in reform, to replace the expensive (land tax-financed) system that contributory pensions entailed. Farmers wouldn't only consent to reforms, they would push for their enactment (Baldwin 1990). This perspective has gained widespread acceptance (Van Kersbergen & Vis, 2014, 76), and has later been reformulated and tested in a quantitative framework by Manow (2009) using cross-temporal national social expenditure data. Historical analysis by Alestalo and Kuhnle (1986), Nørgaard (2000), and Huber and Stephens (2001, 116, 131-132) also support the "farmer thesis".

Recently this thesis has become contested. Using Norwegian parliamentary votes, Rasmussen (2021) shows that farmer representatives voted against welfare policies in general, and coverage extensions specifically. Rasmussen finds substantial differences between the bourgeois parties on old-age pension issues – Conservative party MPs were more supportive – without providing any explanation for these divergences. Considering Rasmussen’s findings, it is the conservatives’ (and not the farmers’) support of non-contributory old-age pensions that warrants explanation.

The above-mentioned studies focus on national politics in welfare state development, leaving local-level politics under-theorized and under-explored. The studies that have considered Norwegian municipality pensions have been qualitative, focusing on specific municipalities or the overall development pattern. There is, however, one exception: using a cross-section of Norwegian municipalities and various measures of old-age reforms, Hanssen et. al. (2001) purport to show that socialist parties were more inclined to introduce local-level social security programs, especially compared to the Liberal party. Yet, this study cannot tell us whether local party differences influenced adoption of pension programs. We detail why in Appendix A1, but one issue is that the authors use vote distributions from one *national election* (1921) to proxy for local party influence. Concerning the qualitative studies, several have highlighted how local innovations worked to elucidate different old-age pension models. For example, the 1936 old-age pension act was modelled on the 1923 act, which, in turn, was modeled on the 1918 municipality non-contributory pension of Kristiania (Grønlie, 2004; Hatland, 1987; Seip, 1994). Thus, some previous studies have connected local welfare efforts and national development. What is lacking, however, is an understanding of *how* local actors influenced partisan politics concerning national pensions. We will attempt to do exactly this.

Argument: linking local political organization and influence on national legislation

Our argument, linking political parties' organizational characteristics and municipality-level strategies to national-level legislation via local policy legacies, is divided into four subsections. First we discuss, generally *and* in the early-20th century Norwegian context, how institutionalized, nationwide parties with local branches is a requisite for pursuing local-level programmatic policies (*and* for national parties being able to use local policies as part of wider, coordinated national policy-strategies). Second, we discuss why different institutionalized parties prefer different such programmatic policies, focusing on the pension preferences of Norwegian socialist and bourgeois parties. While party institutionalization explains the capabilities (and incentives) to pursue programmatic policies, ideological leanings and electoral considerations mean that institutionalized parties differ in *what type* of programmatic policies they prefer. Third, we address how different parties' policy preferences are shaped by the pre-existing policy-landscape (in addition to ideological and electoral factors), focusing on how the Norwegian poor relief system and relative lack of occupational pensions influenced preferences. Finally, we detail local policy legacies, pertaining to demonstration effects and altered fiscal costs of local pensions, and how they shape national policy responses, in our case by Norwegian bourgeois parties. We describe the mechanisms through which local politics and policymaking may alter preferred national-level policies of key actors, leading gradually to a national reform coalition.

Our argument responds to limitations in the reviewed literature, detailing the role of local-level politics, and especially the political party characteristics, for national policymaking.⁷ Throughout, we embed our more general argument in the context of early-20th century Norway and question of old-age pension reform. Yet, as we detail in the conclusion, our account may be adapted to study

⁷ For overviews over various theorized causes of non-contributory pensions, specifically, or public pensions, generally, see Lynch (2006), Ebbinghaus (2011) and Böger & Leisering (2020).

quite different policies legislated in unitary but decentralized states (Lijphart 2012, p.178) with institutionalized parties that act within a multi-party electoral system with extensive suffrage.

The relevance of institutionalized parties

To understand local-level social policy development, we consider primarily the role of party institutionalization *and* the policy preferences of different, relatively institutionalized parties. Institutionalized parties typically have some core ideological positions, close linkages with particular organizations, and specific groups of voters identified as relevant for winning elections, and which the parties try to mobilize (Pontusson & Rueda, 2010). Institutionalized parties therefore try to create policy-packages, so called bridging policies, that overlap with the preferences of these groups (De Sio & Weber, 2014, 871). Thus, we distinguish between institutionalized parties, which primary strategy for creating linkages is based on competing for votes based on broader ideologies and programmatic principles for policymaking, and less institutionalized political entities focusing on local issues or relying on candidates' charisma and other personal qualities (Lynch 2006; Pribble, 2013, 29-33; Rasmussen & Knutsen, 2021). Furthermore, institutionalized parties have higher degrees of organization, characterized by, e.g., a hierarchical structure with clearly delineated roles and responsibilities, decision-making occurring according to transparent rules, a well-resourced formal organization, and rules for membership. Finally, parties differ in how extensive, deep, and regularized linkages they have with civil society organizations and other interest groups in society (Allern, 2010, 59; Duverger, 1954). Together, these aspects shape the degree to which parties are institutionalized (Bizzarro et al., 2017). Party institutionalization, in turn, shapes parties' likelihood to pursue encompassing social policy programs, as high party institutionalization increases both the political incentives for *and* the capabilities of parties to efficiently supply such programs (Rasmussen & Knutsen, 2021).

Concerning our specific context, early-20th century Norway was a minimalist democracy with multi-party/multi-candidate elections (Rasmussen & Knutsen 2022), albeit with a pre-1920 electoral system that contributed to skewed representation in parliament (including limited socialist

representation; Gjerløw & Rasmussen 2022) and where suffrage was only gradually expanded to all adult voters, at different speeds for local and national elections, up until 1913.⁸ Norwegian local elections featured several local parties and non-affiliated candidates well into the 1930s, but increasingly also national party branches (Hjellum 1967). The clearest example of a highly institutionalized, fully programmatic party in early 20th-century Norwegian local elections is the Labor party (Allern, 2010, 108-109; Hjellum, 1967). Labor competed in local elections based on a national program and had formal rules for party membership in, and national oversight over, local branches. It also had strong linkages to local trade unions and established newspapers, fostering policy knowledge among members and the wider electorate. The party competed for votes based on similar issues across localities, and with central monitoring of local party actions.⁹

At the other end of the party institutionalization scale were several local lists or, in most municipalities, individual candidates running in simple plurality elections. For these “political units”, campaigning was typically centered on local issues and the candidates themselves. Hence, electoral appeals were not couched in general principles that were (later) attuned to local contexts, but rather focused on idiosyncratic policy proposals, localism, and charismatic leadership. The

⁸ For national elections, universal male suffrage was introduced in 1898, followed by voting rights for middle- and upper-class women in 1907 and universal suffrage in 1913. In local elections, all tax-paying males could vote in 1896, and middle-class women in 1901, accompanied by universal male suffrage. In 1910, women could vote on equal terms with men. Poor relief recipients were barred from voting between 1896-1919. Hence, the pension issue was raised on the national arena before women could vote and didn’t pass parliament until long after all women had suffrage rights (1923). Locally, the first municipal pension appears in 1916, fifteen years after female middle-class suffrage and six years after universal suffrage. While the lag-times are long, we discuss in the conclusion how extensive suffrage is an enabling scope condition for our theorized mechanisms. Together with multi-party competition, it allowed for the requisite programmatic party competition over a broad spectrum of voters (Rokkan, 1968). Interestingly, Labor responded to universal male suffrage by adopting its first national municipality program (see DnA 1901 further refined in DnA 1904 and DnA 1911), which, over time, fostered our theorized mechanisms that led to Norwegian pension development. We control for voter turnout and female mobilization in some regression models.

⁹ Other parties, including the Conservatives and Liberals, were less institutionalized. They also displayed larger differences in local institutionalization, often with non-existing organizations outside elections (Hjellum 1967).

policy focus of non-party lists, for example, can best be characterized as sporadic and lacking a coherent program; electoral dynamics would thus not facilitate competition for voters based on social policy issues.

Non-institutionalized political units also lacked the informational and expert knowledge needed for policy development. In contrast, institutionalized parties, could draw on their internal resources, including party organizations, newspapers and linked unions or other civil society organizations. Social policy, and especially old-age pensions, required investments in statistics and bureaucracy (Lindvall & Rothstein, 2006). Small municipalities lacked the necessary expert knowledge for evaluation and depended on parties' ability to develop policy-proposals. Institutionalized parties could therefore move beyond the confines of local bureaucratic capacity when proposing policies. In general, institutionalized parties should thus be more likely to develop proposals and pursue municipal pensions compared to other political units. This discussion leads to our first hypothesis:

H1: Municipalities dominated by representatives from institutionalized parties are more likely to adopt local old-age pension systems than other municipalities.

Party preferences

Yet, institutionalized parties pursue different pension policies (Baldwin 1990; Esping-Andersen 1990; Manow 2009, 113-114; Häusermann 2010). This is because their specific policy preferences depend on a) their ideological affiliation, b) linkages to employer- or employee organizations, c) whether they predominantly attempt to mobilize urban or rural voters, and d) whether they mainly aim to mobilize low-, medium- or high-income voters. With this point of departure, we specify our expectations concerning different parties' pension policy preferences.

Old-age pensions have two key functions (Ebbinghaus 2011, 4; Hinrichs & Lynch 2010) that have different repercussions for different social groups both at the individual- and household levels. First, they transfer resources between those who can cushion the cost of old-age and those who cannot. Second, they insure against income loss at old age; many will experience an earlier-than-

expected reduction in work capacity and some live far longer than expected. Programs place different emphasis on these redistributive vs. insurance components. Generally, social insurance financed through payroll taxes emphasize the insurance function, while non-contributory programs financed through general taxes emphasize the redistributive function (especially if means-tested).

Thus, higher income strata with greater stability of earnings through life should be more supportive of insurance-oriented solutions; high-income individuals can pay contributions consistently and face more costly pension payments via a (progressive) tax-financed scheme (Manow 2009, 114; Häusermann 2010; 34-44). Richer households can also cushion against income losses from family members becoming elderly through savings- and insurance-options (and rich, elderly might sometime continue to work longer, insofar as their occupations were physically less exhausting). This does not mean, however, that they will prefer public insurance options. Instead, similar advantages can be achieved with private insurance, including collective occupational pensions, perhaps even minimizing the price of insurance if public systems have higher administrative costs (Trampusch 2013). Hence, for these groups, both social and private insurance should be economically advantageous to non-contributory public pensions.

Low- and middle-income workers, in contrast, face higher individual *and* household risks with old age. This indicates that they would (among the viable options under consideration in, say, early-20th-century Norway) have incentives to favor a non-contributory over a contributory option.¹⁰ Regarding individual risk and costs, low- and middle-income workers might be unable to consistently pay contributions under an insurance system and they would then not benefit from redistribution either (since pensions would be financed from own contributions rather than progressive taxation). Concerning household risks, insufficient pension coverage among current elderly (under a newly implemented insurance system) would also adversely impact current workers

¹⁰ This depended on the specific contributory system design, with PAYG systems more likely including current pensions from implementation. In Norway at the time, however, PAYG wasn't considered as an option (as in Denmark; Nørgaard 2000, 193).

by draining the household economy. A combination of household- and individual risk means that a contributory insurance system not covering the current elderly would be especially problematic for low- and medium income workers.

We expect income level and risks to be correlated with class position (Korpi, 2006). One central distinction is between employers and employees, with the latter being more exposed to risks from old-age and having lower average income and less income stability over the life-course. Political parties in early 20th-century Europe typically associated with one of these groups. The discussion above provides one explanation for why; creating bridging policies incorporating both groups will tend to fail as they have different economic interests. Hence, politics turns into a contest between parties closely aligned with employers or self-employed and those aligned with the working classes (Rokkan, 1968; Esping-Andersen 1990). In addition to tailoring policies to different income groups, the “bourgeois” and “socialist” parties typically fostered ties with, respectively, employer or worker organizations and had ideological commitments to individualism and self-help vs. collective solutions that socialized risk. In Norway, all these factors would, initially at least, draw the bourgeois parties towards (different) contributory pension models and the socialists towards a non-contributory model.

However, a simple class distinction misses important aspects of the economies and politics of early 20th-century Europe. The industrial–agricultural sector distinction was of substantial importance, also regarding incentives for pension policy. Manow (2009, 113), building on Baldwin (1990, 55–94), proposes that agricultural employers would go against contributory financing, as they lacked the steady income streams necessary for full benefits (see also Nørgaard 2000, 193). We have a different expectation: For agricultural employers, considerations of labor supply were paramount (Ardanaz & Mares, 2014). Higher wages in urban centers drove agricultural workers into the cities (Alvarez-Cuadrado & Poschke, 2011, 128), reducing rural labor supply. Cognizant of their sector’s decline, policies that could further entice agricultural workers to move to the cities or increase their

labor costs were anathema to farmers (Rasmussen, 2021). Increased public spending, financed through general taxes or local property taxes, would also constitute a great additional expense for farmers. A cheaper and more beneficial option would be contributions-based pensions, with its limited redistribution between urban and rural municipalities reducing rural-urban mobility.

Rural resistance to tax-financed non-contributory pensions should not, however, necessarily extend to peasants. First peasants would benefit more from the implied redistribution from relatively rich to relatively poor groups. Second, with increasing likelihood that peasants would migrate out of agriculture, and the associated risk of instability in income streams, contributory pensions would be risky (Carnes and Mares 2014). Non-contributory pensions, on the other hand, would cushion their fall if the migration to urban work failed. We therefore expect greater support for non-contributory pensions among parties aiming to mobilize peasants.

Class- and sector-based accounts have been challenged by recent research. Some highlight how certain employers had more particular economic rationales for promoting certain pensions (Swenson 2002; Trampuch 2013). Others question labor's role, arguing that union support for redistributive public or private pensions varies extensively (Øverby 1997; Nijhuis 2013, 10-15). Similarly, there may be splits between workers, with so-called insiders preferring contributory- and outsiders (young, women, unemployed or informal workers) non-contributory pensions (Häusermann 2010; Carnes and Mares 2014; Holland and Schneider 2017).

We agree that preferences for social policies cannot be directly read from sector or class position, regardless of time and place (Huber and Stephens 2001). Instead, class dispositions for policy design are interpreted by unions and parties, which act within a system of institutional legacies, and are shaped by their own internal structures, ideological position, and external competition (Ebbinghaus 1995; Huber and Stephens 2001; Lynch 2006; Nijhuis 2013, 44-52; Pribble 2013). With these caveats in mind, we map our generalized electoral considerations from above onto the early-20th-century Norwegian party landscape.

Norway had two main worker parties, namely the Labor party (and its splinters) and the Social Liberal party (Arbeiderdemokratene). Both had strong organizational and ideological linkages to labor organizations, with the Social Liberal party emerging from the Worker Societies and the Labor party closely tied to the centralized A.F.L. federation. The Labor party facilitated the organization of A.F.L. and practiced collective union membership, thus decisively influencing union policy (Ebbinghaus, 1995, 74, 86). Ideologically, Labor was committed to collective solidarity, meaning they preferred broad, redistributive social policies (Stang 1919; Seip 1994, 299). Labor held the strongest sway among industrial workers and attempted to win over peasants; the situation was reversed for the Social Liberals. However, given the Labor party's size, its rural wing was equal to (and eventually larger than) the number of (predominantly rural) Social Liberal supporters. Since we expect both rural and urban low-income workers to prefer a non-contributory public pension system, which socialized the risks of old-age for both future *and* current elderly,¹¹ both the Social Liberal and Labor parties should support non-contributory old-age pensions.

The parties with the closest ideological ties and strongest other linkages with employers and self-employed were the Farmer party (which splintered from the Liberal party in 1920) and Conservative party (Allern 2010, 109-111; Danielsen 1984). Both had formal linkages to employer organizations, the Conservative party with the urban industrial employers of the Norwegian employer federation (N.A.F.) and the Farmer party with the Agrarian Society organizing farmers (Landmandsforbundet). Self-help ideology was a core guiding principle, especially for the Farmer party (Seip 1994, 299); for pensions, this entailed "help to save for retirement", dovetailing nicely

¹¹ Labor's main pension architect, Emil Stang (1918, 100-101), considered socialization of households risks as a primary justification for non-contributory pensions: "we cannot get away from that the current generation pays for the older (...) the current major task is to socialize these expenses (...) According to the current government proposal, however, the present generation will face two burdens. Firstly, they must privately or publicly support the old generation, and in addition, save money for their own old age." See Appendix A7 for details on Stang's role in shaping local and national pensions.

with social insurance options. Hence, politicians from these parties should expectedly oppose the introduction of local public pensions in general, and non-contributory systems in particular.

The Liberal party should take an intermediate position, since it lacked any formal linkages to employer or employee organizations and had a heterogenous electoral coalition (Allern 2010, 111). Electorally the party was effectively split in two, with rural constituencies representing family farmers and small holders and urban constituencies including radicals and craftsmen (Rasmussen, 2021). In some rural constituencies, Liberal party politicians attempted to stop the socialists from making inroads by appealing both peasants and family farmers. In these situations, the Liberal party tended to field lists together with the Social Liberal party. The party thus attempted to construct bridging policies appealing to “all” groups (Nørgaard, 2000 193). We should therefore observe that Liberal politicians often accept broad social policies, but then with low levels of redistribution to keep the farmer vote. For pensions, this meant prioritizing a social insurance option with flat contributions and broad coverage, and with state financing limited to covering administration costs.

The following hypothesis sums up the discussion:

H2: Municipalities dominated by the Social Liberal party or Labor party (with its splinters) are more likely to introduce public non-contributory old-age pensions than municipalities dominated by the Liberal party, which in turn is more likely to introduce such pensions than municipalities dominated by the Conservative party (with its splinters) or Farmer party.

Poor relief, inherited pensions, and strategic preferences

In the previous section, expectations on party behavior were formulated for a tabula rasa situation, with no pre-existing pension systems. The literature on policy legacies have documented how the preferences of workers, employers *and* parties are endogenous to existing welfare state structures (Neundorf & Soroka, 2018; Pierson, 1996; Rothstein, 1998; Skocpol, 1992; Trampusch 2013). Welfare policies can create both positive (or self-reinforcing) and negative (self-undermining)

feedback effects, where policies create support or opposition for their continued provision, or even accelerating feedback effects, where policy adoption creates support for further policy expansion (for a typology of feedback effects and precise definitions, see Busemeyer et al. 2021). These feedback effects appear, for example, because adopted policies incur costs and benefits on specific groups (Pierson, 1996; Weaver, 2010) or shape interpretive frameworks (Pierson, 1993). Feedback is not restricted to public policies but can affect and be affected by private occupational pensions (Beland & Hacker 2004; Nijhuis 2011), which can take numerous forms (Trampusch 2013).

While national-level policy-feedback is recognized, policy-feedback effects of local welfare programs on national policy choices are less discussed. When considered, scholars have surmised that initial local developments retarded national welfare state development (Skocpol 1992; Pierson 1995). Later, we will discuss how local pension policy, in Norway, created vested interests that, in turn, worked to shape national pension policy, suggesting not only positive local effects, but also national policy-feedback effects. But first, we outline how the Norwegian, locally administered, poor-relief scheme created reinforcing feedback among farmers and undermining feedback among the worker parties. Thereafter, we discuss how the relative absence of occupational pensions meant that Norwegian unions and socialist parties would work almost in unison for non-contributory public pensions.

Poor relief was the primary public system to protect against income loss at old age in 19th and early-20th century Europe (Andersen et. al. 2020).¹² This was especially so in Norway, where occupational pension rights only accrued for public civil servants in state employment and sailors (Kluge 1978, 44-47; Seip 1994, 281). The primary protection for old age was poor relief (Hatland 1987).¹³ To understand how actors' preferences were shaped by existing public policy thus implies considering how the poor-relief system worked. The system created feedback effects for especially two groups,

¹² For a different conceptualization of poor relief feedback, see Baldwin (1990, 74-75).

¹³ Around 25% of Norwegians above 60 years received poor relief, around 16% because of old age (Statistiske Centralbyrå 1903).

farmers and workers. It allowed farmers control over labor supply by, e.g., selectively allowing relief for in-demand local workers, while at the same time keeping costs low. This was achieved through the wide discretionary powers left to local relief councils administrators in setting benefits, eligibility, and conditionality (including loss of political rights, pre-1919). The elected municipal council, in turn, nominated local relief councils, meaning that farmers could have close to full control over the system in municipalities where they dominated politically. The “kår” tradition of transferring the farm to the next generation in exchange for old-age protection also meant that farmers had a culturally evolved system of risk-pooling outside poor relief. Hence, farmers could cushion also household risks, with the farm allowing for care of the household’s elderly.

However, the system incurred negative feedback for (the relatively poorer) urban and rural workers. For example, the arbitrariness of relief decisions and payments meant that one could never be sure of protection (Hatland 1987, 13-15). In addition came stigmatization and loss of political rights. Hence, parties attempting to include workers were dissatisfied with the poor relief system, but disagreed on direction of reform. The Liberals justified their contributory pensions approach by it ensuring that “worthy” recipients didn’t have to rely on demeaning poor relief. The socialist position went further. Emil Stang (1919,1) stated that the main goal with reform was not only to relieve people from poor relief, but “to secure people against old-age and invalidity so that pension costs are distributed over the largest amount of people and not just the individual”.

Presence of private pensions might influence public pension preferences and reform strategies of policy makers.¹⁴ Yet, Norway lacked encompassing collective occupational pensions before the 1920s, except for salaried state employees and some other public workers (Espeli 2019). Private pensions only increased coverage (mostly among salaried employees) during the 1920s and

¹⁴ Nijhuis (2011) shows how high-income unions resisted “solidaristic” pension reforms to defend their generous occupational pensions in the UK (see also Leimgruber 2008 on Switzerland), and Lynch (2006, 10) argues that early reform steps in countries adopting non-contributory pensions aimed to cover gaps left by trade union mutual-aid programs (see also Ebbinghaus 2011, 6).

especially 1930s (Espeli & Berg 2015, 176-180).¹⁵ In 1922, only 1600 workers (64 employers) were insured (Fretheim et. al. 1950, 6), giving a 0.2 percent coverage rate among non-public employees outside agriculture and fisheries. Surveying all collective bargaining agreements across 1900-1925, we found that only a handful had provisions concerning pensions (A.F.L. 1900-1925). Similarly, while salaried state employees, mainly mobilized by the Conservatives and Liberals, were covered by the 1917 civil servant pension, coverage was scarce for salaried municipality employees. Our archival searches indicate that only 25 of about 700 municipalities had any occupational pensions in 1924.

To summarize, the Norwegian poor relief system created local vested interests among farmers and opposition groups among workers parties, reinforcing the partisan expectations summarized in Hypothesis 2. And, critically, the relative absence of private or occupational pensions meant that the worker unions and parties would pursue a common non-contributory policy model for old-age pensions.¹⁶

From local policy to national preferences

We now conceptualize how local policy development can shape the national-level policy agenda and party preferences. Insofar as different parties control different municipalities, this will create policy variation – in our case heterogeneous local pension systems. Considering potential legacy effects on the national policy agenda, we argue that decentralized policymaking allows actors who are excluded from setting the parliamentary agenda to nonetheless influence it indirectly.

One relevant mechanism is the possibility to use local legislation to illustrate the practical viability and even desirability of a particular policy-model. In our case, this entailed parties implementing

¹⁵ The absence of large firms (Norwegian industrialization was still in its infancy during the 1910s) meant firm-specific private options were late to develop. Yet, tax exemptions for private pensions existed from 1911 and their expansion during the 1920s/30s facilitated growth in occupational pensions (Ibsen 1996, 159).

¹⁶ This was reinforced by the strong influence of Labor party on the A.F.L. (Ebbinghaus 1995, 86).

non-contributory pensions in a municipality and referencing its operation as proof of concept. With more municipalities adopting such schemes, the publicity and veracity of the model increased in national discussions. This indirect agenda-setting strategy was actively pursued by Norwegian socialists. Having failed a roll-call vote to make the national pension commission evaluate a non-contributory pension in 1907, the socialists decided to use their local influence to shift the agenda. When justifying their decision to include non-contributory pensions in their local election program in 1916, one socialist newspaper put the new strategy bluntly:¹⁷

“If enough socialist municipalities enact pensions, it would be enough to thwart these insurance [proposals] deformities. They will rot away, and our model will be the one that stands in front of the Storting as the role model.”

One key precondition for a political party pursuing such a “local role model strategy” is a high degree of party institutionalization. This is because the strategy requires the coordination of numerous local branches and an effective central organization, with the ability to facilitate communication and monitor compliance in different municipalities. For example, the Labor party formed a national committee of representatives from the party central organization and the trade union federation to outline a non-contributory pension model after the “1907 failure”. Committee members were then involved in planning local old-age pensions and responding to demands from local representatives to coordinate pension efforts (DnA 1913). And, once the government accepted to evaluate a national non-contributory option in 1919, those knowing the local non-contributory systems possessed important information. So it was that radical socialist Emil Stang, who had headed the Kristiania pension commission (Appendix A7), was appointed to the 1919 national committee.

We now turn to how local policy indirectly influences *party preferences* at the national level, focusing on non-socialist parties’ response to the newly implemented municipal (non-contributory)

¹⁷ Editorial in the Labor run newspaper of Horten Dagry, 22 of June 1916.

pensions. One building block in our argument is that local parties realize that the likelihood of winning the next local elections is influenced both by the continuation of popular policies and by their municipality's fiscal situation (Balaguer-Coll et al., 2015). After local pensions were adopted in Norway, pension spending quickly became the biggest spending item on many municipalities' budgets. With the economic downturn in 1922-1923, municipalities faced increasing expenditures and accompanying debt increases. For many local politicians, this meant a decision of cutting back on spending, increasing taxes, or escaping this dilemma by lobbying for state support. Since tax increases and pension cutbacks (due to lock-in effects and loss aversion, see, e.g., Pierson 1996; Hübscher et al., 2021) are presumably unpopular among voters, the lobbying-option was tempting. Furthermore, restrictions on municipal tax rates (from 1911) severely limited many municipalities' ability to handle the increasing costs.

This process played out not only in socialist-controlled municipalities. Conservatives and the Free-minded Liberals had high vote shares in many of the same municipalities as the socialist parties (see Table 1). If the socialists first introduced a pension system, a bourgeois victory the following election meant they would inherit a popular pension system *and* its costs. Local pensions were, furthermore, highly visible to the electorate. Newspaper front-pages were dedicated to proposals, debates, and implementation on local and national schemes. Following the issue's saliency and related assumption that cutbacks in existing systems were electoral risky, local bourgeois parties would, in these instances, have strong incentives to turn to their national party for state support.

But whether and how could local representatives influence their national parties and parliamentary representatives? First, local representatives could help shore up voter support for national elections. Second, candidates for the Storting depended on the party for nominations. Local representatives could use regional or central party fora to influence national election lists, increasing the incentives of national representatives to accommodate local party members demands. And, once a national

pension solution had gained traction, MPs could face electoral consequences if they backpedalled, especially since the pension issue had high saliency and visibility.¹⁸

Third, the municipalities lobbied both central party organizations and individual MPs to secure state subsidies for municipality pensions. Kristiania municipality (present-day Oslo), combined its old-age pension scheme with a petition for the Storting to adopt a similar state scheme, including a description of the local system when sending the petition. However, individual municipalities would not have enough clout to move national politics. Instead, the Association of Cities (Byforbundet) coordinated municipality demands, organizing petitions from urban and rural municipalities during 1920-1924.¹⁹

These various sources of local pressure would, together, pull in the direction of a national non-contributory pension scheme. Contributory pensions, which – in practice, given the preferred contributory models of the bourgeois parties, and thus the feasible system options -- entailed building a pension fund from contributions compiled over time. Estimates for the contributory option under consideration in 1923 projected the first pension payment after 15 years, far too long to wait for debt-infested municipalities with pension bills to pay this year. The more palatable option for local politicians wanting to influence national-level politics was therefore a non-contributory national system (along the lines already preferred by socialist politicians) *or* state subsidies for municipality schemes.

Already adopted local pensions were politically costly to remove for bourgeois local politicians in municipalities across the country, and the economic costs of continuing and financing these schemes incentivized local politicians and municipality bureaucracies into pushing national

¹⁸ Norwegian newspapers published roll-call votes for all major pension reform proposals, allowing voters monitor their representatives' actions.

¹⁹ This non-partisan association was headed by a Conservative – the previous Kristiania mayor who voted against Kristiania's municipal pensions.

politicians towards adopting a national pension preferred originally by the socialists. The implication is that parties or individual MPs can find themselves having to pursue national policies that break with their inherent policy preferences, i.e., their counterfactual policy preferences absent local pensions and related fiscal constraints.²⁰

Hence, for bourgeois parties and individual MPs, we expect that

H3: Parties that elect more MPs from election districts with a greater share of municipalities with old-age pensions, or individual MPs from such districts, were more likely to support non-contributory pensions.

Empirical analyses

Successful implementation of municipality pensions, 1913-1925

We first test Hypotheses 1-2 concerning party preferences for non-contributory municipality pensions. The lead author compiled information on local pension implementation from Statistics Norway, constructed from surveys sent to municipality councils.²¹ From 1916-1925, 106 municipalities enacted 193 non-contributory pension programs. No new pensions were enacted

²⁰ Our argument is compatible with different assumptions about the forward-looking and strategic inclinations of key actors. For example, it does not entail that all socialists had predicted the exact sequence of events that led from municipal pension adoption to national legislation. Insofar as some influential socialists realized that municipal pensions could create policy blueprints or influence the policy preferences (of some bourgeois parliamentarians, we still consider ours a strategic argument. Further, our argument does not require that Conservative or Liberal politicians were unaware of the socialist “local strategy”. Illustratively, before any socialist municipality-election win, Kristiania magistrate and Liberal party member Bherner predicted that the socialists would use the wide municipality powers to introduce “municipality socialism” (Bherner 1900). Indeed, “bourgeois counter-mobilization” came in two forms: i) party mobilization in previously “apolitical” local elections (Hjellum 1967) and ii) using their dominance of national politics to limit local policy leeway. The prime example of ii) is the 1911-law restricting municipality income tax rates to 10%. Despite these efforts at counter-mobilization, the socialist’s strategy of expanding municipal non-contributory pensions eventually worked.

²¹ The original surveys used by Statistics Norway to chart local pensions have been destroyed (communication with Norwegian National Archives, 31.01.2022).

after 1925 and until the 1930s. Table 1 shows the local pension systems operating in 1925, by county (fylke), displaying both total number and percent of municipalities with programs. There are clear regional differences in pension implementation, with the low-coverage northern and western counties contrasting with the high-coverage south-eastern counties surrounding the capital (e.g., Hedmark or Akershus). The single-municipality city counties of Bergen and Oslo were fully covered.

Unfortunately, local election results before 1937 have been lost, as Statistics Norway burnt the originally collected records. The published election records only contain aggregated regional results for rural districts using list elections. To circumvent this problem, we use new data collected by Authors, who have reconstructed the local election results from digitized Norwegian newspapers and party documents.²² Using these data, we can directly test whether local representation by the various parties is associated with implementation of municipal old-age pensions.

Table 1, Distribution of local pensions by county in 1925 and average party support in municipality elections between 1913-1925

County	Municipalities with pensions in 1925		Share of votes, on average, across municipal-level elections 1913-1925				
	Total	Share	Socialist share	Social-lib. party share	Conservative share	Liberal party share	Farmer party share
Østfold	13	0.39	0.26	0.02	0.31	0.17	0.05
Akershus	16	0.51	0.30	0.01	0.29	0.17	0.06
Oslo	1	1.00	0.46	0.00	0.48	0.05	0.00
Hedmark	23	0.74	0.36	0.07	0.26	0.16	0.04
Oppland	17	0.46	0.14	0.27	0.08	0.06	0.13
Buskerud	7	0.26	0.28	0.02	0.33	0.21	0.02
Vestfold	5	0.20	0.17	0.00	0.37	0.20	0.02
Telemark	12	0.38	0.21	0.07	0.14	0.26	0.03
Aust-Agder	1	0.03	0.21	0.02	0.22	0.26	0.05
Vest-Agder	0	0.00	0.06	0.01	0.10	0.13	0.04
Rogaland	3	0.06	0.05	0.01	0.04	0.05	0.03
Hordaland	0	0.00	0.04	0.01	0.09	0.04	0.03
Bergen	1	1.00	0.37	0.01	0.35	0.13	0.00
Sogn og Fjordane	0	0.00	0.05	0.01	0.68	0.09	0.04
Møre og Romsdal	2	0.03	0.06	0.01	0.07	0.09	0.02
Sør-Trøndelag	2	0.04	0.19	0.01	0.17	0.02	0.04
Nord-Trøndelag	0	0.00	0.18	0.03	0.06	0.17	0.08
Nordland	2	0.03	0.14	0.01	0.13	0.08	0.02
Troms	1	0.04	0.37	0.01	0.14	0.13	0.01
Finnmark	0	0.00	0.24	0.01	0.13	0.09	0.00

Please see main text and Appendix A2 for how the party variables are constructed.

²² 93 percent of municipality election results are reconstructed for 1913, 91 for 1916, 98 for 1919, and 97 for 1922.

We thus construct variables measuring the share of elected representatives held by five (groups of) programmatic parties present in elections from 1913-1922. Table 1 reveals clear regional differences. The geographically most concentrated parties are the Social-Liberal and Farmer parties, mainly gathering votes in southeastern Norway. Only the Liberal and Labor parties held relatively strong positions in most regions, albeit with the latter struggling to attract votes in certain areas of western Norway. By summing across the five rightmost columns, Table 1 also reveals limited support for programmatic parties, overall, in many counties. In Finnmark, for example, the five party groups only accounted for 47% of representatives. Instead, many local elections were dominated by local lists or groups. So-called “partiaization”, the process by which local elections become dominated by national parties (Hjellum 1967), was not completed. Nationally, in contrast, not a single MP from outside the major parties was elected to the Storting in 1921.

Local pensions were more frequent in counties with high socialist support. But also the Conservatives and Liberals had high support in many of the same regions. The rank-order correlation (ρ) between share of municipalities with pensions and socialist support is 0.66 ($p=0.001$). Yet, ρ is 0.46 ($p=0.043$) also for share of municipalities with pensions and Conservative support. To more stringently test our expectations, we move to a regression framework.

We created two main dependent variables. The first measures whether a municipality, in a specific year, has introduced a pension system or not. The second sums up the number of risks covered by the pension system; some systems cover only old-age, invalidity, motherhood, or loss of wage-earner (widow pension), whereas other systems cover multiple such risks. Specifications using the former dependent variable are estimated by logistic regression and specifications using the latter by OLS. Since no additional changes in pension status take place once a pension is introduced in our

data, i.e., there is no removal or implementation of new programs, a municipality is dropped from the sample the year after it implemented a pension system.²³

For our core independent variables, we measure the share of votes in a municipality, in the last election, for six entities: Non-programmatic parties (including local lists and individual representatives), Socialist parties (Labor party, but also Social Democratic and Communist parties), Conservative parties (Conservatives, Bourgeois league and Free-minded Liberals), Liberal party, Social-Liberal party, and Farmer party (includes Agrarian society). Appendix A2 contains additional information on the party measures. Local elections are held early October and run up until December. We therefore lag all party share measures by one year, with, e.g., the 1913-election first taking effect in 1914. This reflects the late timing of the election on the calendar and that the first post-election meeting was meant for electing members of the municipality's executive council ("formandskap") and the mayor. Hence, no major policy decisions are made between the elections and the calendar year's end. Since the shares for our categories sum to one, we use socialist share as the reference category. The results presented thus show the change in probability of introducing a pension program when party X increases its vote share by one unit relative to the socialists.

Regarding controls, we should account for support for particular parties *and* pensions being more prominent in some counties due to unobservable county-specific (economic, cultural, geographic) factors. Second, we must consider the temporal structure of the independent variable, which only changes values in post-election years. And, there may be electoral cycles in party support and time trends in pension adoption. We therefore include two sets of dummies, for counties and elections. The dependent variables can, however, change on a yearly basis, and as a robustness test, we substitute year dummies for election dummies.

²³ This has the benefit of solving the problem that party X can introduce a system, but then lose power, and the municipality is then taken over by party Y.

We also include three measures pertaining to sector shares of the economy to control for structural transformations into industry and services, and the accompanying economic development. These three measures are shares of employment in, respectively, industry and mining, commerce and services, and seafaring occupations. Agricultural employment share is the reference category. Since industrial development is tightly linked to socialist voting and support (Boix & Magyar, 2022), this is an especially powerful control. Given that higher level of national party penetration of local politics is associated with increasing voter mobilization (see Rokkan 1966), we also include a turnout measure. We further control for municipality population density to account for relevant differences in geography and population. Data for the abovementioned measures are from Skorge (2021). Finally, to control for differences in pressures to adopt pensions reform related to curbing expenditure on poor relief (Baldwin, 1990; Hatland, 1987; Skocpol, 1992), we include a measure of total poor relief expenditures from Gjerløw and Rasmussen (2022). Descriptive statistics and bivariate correlations are in Appendices A3 and A4.

Table 2 shows the estimated average marginal effects from three logit specifications on introduction of municipality old-age pension (Models 1-3), and three OLS specifications on number of risks covered/programs introduced (Models 4-6). The first specifications, for both pension measures (Models 1 and 4), only include the party share variables without controls. The second specifications (Models 2 and 5) add county- and election dummies. The third specifications (Models 3 and 6) add our time-variant controls. Predicted values from Model 3 on the probability of introducing pensions, for different party share scores, are shown in Figure 1. (Appendix A5 contains histograms showing the sample distribution).

Regardless of specification choice, the non-programmatic party share is negatively associated with pension introduction *and* number of programs introduced. Going from a municipality completely dominated by socialists to a municipality completely dominated by local lists decreases the annual probability of the municipality introducing a pension by manifold, from .07 to .001. When we re-

estimate Model 3, to compare non-programmatic parties to *all* programmatic parties except the socialists, we find substantially similar results in terms of sign and significance (Appendix A6). These findings corroborate H1.

Expectations concerning both Liberals and Conservatives (relative to Socialists) also find empirical support. However, the observed patterns do not fit neatly with the expectation that Liberal-dominated municipalities should have a higher pension share than Conservative-dominated ones. All results indicate that municipalities dominated by either party (above 50% of representatives in councils) would have a lower than 2% probability of introducing a pension scheme if other variables are at their means. For the Farmer party, the predicted marginal effects are all negative, although the relationship turns insignificant once adding controls in Model 3. Yet, once we consider number of programs (Models 4-6), the Farmer share variable has a robust negative association with pension programs regardless of choice of controls. Hence, we find pretty clear evidence that Farmer-party dominated municipalities are less conducive to local pensions than municipalities dominated by the Labor party or its splinters.

Table 2 Average marginal effects models on introduction of pension (Models 1-3), and number of programs introduced (4-6), 1913-1925.

	(1)	(2)	(3)	(4)	(5)	(6)
Socialist	Ref.	Ref.	Ref.	Ref.	Ref.	Ref.
Non-programmatic	-0.088*** (-7.16)	-0.087*** (-6.13)	-0.076*** (-4.45)	-0.17*** (-6.45)	-0.14*** (-5.89)	-0.083*** (-3.34)
Farmers	-0.15*** (-3.72)	-0.12*** (-3.56)	-0.091 (-1.70)	-0.25*** (-6.93)	-0.22*** (-6.19)	-0.21*** (-3.79)
Liberals	-0.058*** (-4.33)	-0.076*** (-4.81)	-0.046* (-2.27)	-0.17*** (-4.70)	-0.17*** (-5.04)	-0.11** (-3.02)
Conservatives	-0.039*** (-3.86)	-0.057*** (-4.04)	-0.049** (-2.58)	-0.12*** (-3.82)	-0.12*** (-4.05)	-0.084* (-2.38)
Social Liberals	0.022 (1.83)	-0.031 (-1.74)	-0.0033 (-0.15)	0.050 (0.80)	-0.046 (-0.65)	0.011 (0.15)
County dummies	No	Yes	Yes	No	Yes	Yes
Election dummies	No	Yes	Yes	No	Yes	Yes
Controls	No	No	Yes	No	No	Yes
Observations	4312	4312	3096	4312	4312	3096
Municipalities	506	506	496	506	506	496

Notes: * p<0.05; ** p<0.01; *** p<0.001. T-statistics in parentheses. Controls included in Models 3 and 6 are population density, turnout, poor relief expenditures, three variables measuring, respectively workers engaged in industry, services, seafaring (percent of labor force). For Models 1-3, estimated with logistic regression, the dependent

variable is 1 if a municipality introduced a pension that year and 0 if not. Once a municipality has introduced a pension, it is excluded from the sample. For Models 4-6, estimated with OLS, the dependent variable is the number of pension programs introduced that year (varies from 0-3). All election variables are lagged one year.

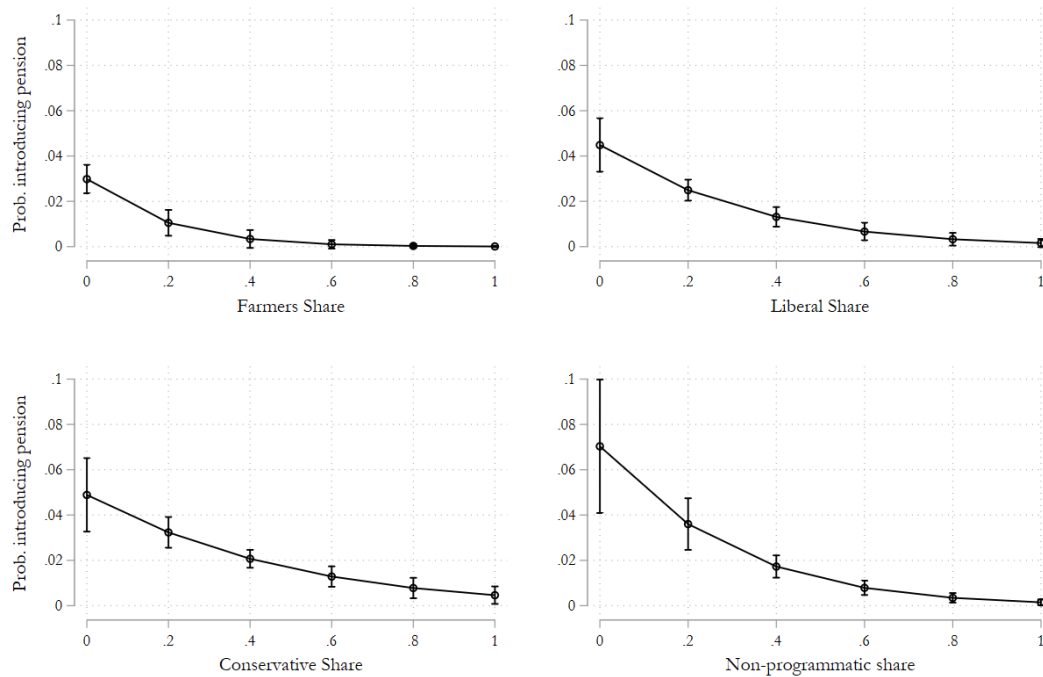
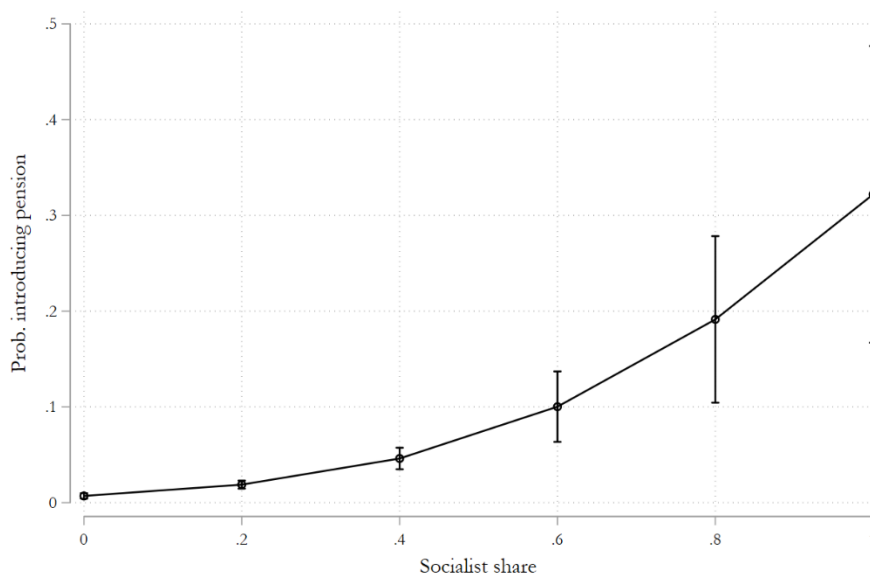


Figure 1: Predicted values based on Model 3, Table 2. All other covariates at their means.



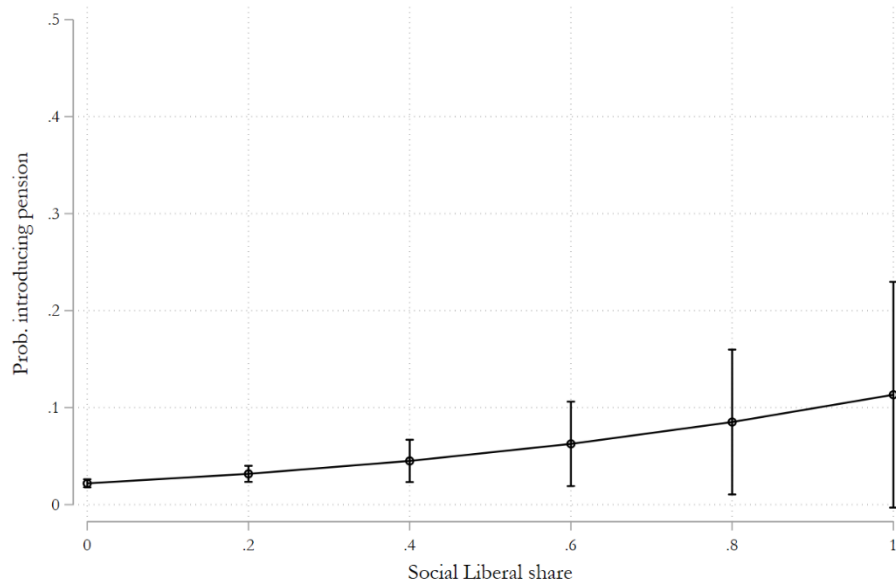


Figure 2: The relationship between Socialist vote share (top) or Social Liberal vote share (bottom) and pension introduction from re-specified version of Model 3, Table 2 (where non-programmatic parties, Conservatives, and Liberals are jointly grouped together as reference category). All other covariates at their means

To assess our expectation on socialist parties vs. non-programmatic as well as employer-based parties, Figure 2 (top graph) presents predicted values over socialist share using results from a re-estimated Model 3 including only the shares of the socialist parties (the reference category is then employer-parties and non-programmatic parties combined). The predicted probability of introducing local pensions increases from below 0.01 in a municipality-year when socialists have no representatives to 0.10 in a municipality-year in which 60% of representatives were socialist, and, finally, 0.32 in a municipality completely dominated by socialists.

To illustrate some of the political dynamics that contribute to the regression coefficients in Table 2, we include a case-study of Kristiania's introduction of a non-contributory system in Appendix A7. This example also fittingly illustrates the national ambition of the socialists in pursuing local non-contributory pension schemes. Having passed the local scheme against conservative opposition, Kristiania socialists instructed the magistrate to submit the law text to the parliamentary commission in charge of evaluating national old-age pensions, calling for a similar scheme as

Kristiania's to be enacted nationally. This petition was later used in the national debate as one of the arguments for evaluating a national non-contributory scheme.

In Appendix A8 we provide further tests of our argument. They show that socialists tended to be the main actor putting local non-contributory pensions on the agenda, promoting more generous benefit levels and lower retirement age, and playing key roles in the policy-formation stage.

A clear partisan pattern is thus visible for local politics in early-20th century Norway, with municipalities dominated by socialist parties being far more likely to support the introduction of local (non-contributory) pension systems compared to bourgeois or non-programmatic dominated municipalities. Having presented these descriptive cross-municipality patterns, we turn to the national arena.

Success and failure in national pension reforms and state subsidies for local schemes, 1923-1924

We use roll-call votes in the Norwegian parliament, the Storting, to answer two questions. First, did national voting patterns (broadly), for or against pensions and for or against non-contributory systems, follow the partisan lines observed at the local level? Second, is support for pension reform and a non-contributory system among bourgeois parties related to local pensions in their constituency? The answer to both questions is yes.

Following the petition from Kristiania in 1918 (after introducing its non-contributory pension) and a similar proposal – outlining a universal non-contributory system through state subsidies for local pensions – from the Labor party (Debes et al. 1918, 93-101), the Storting decided that a non-contributory system should be evaluated alongside the contributory schemes proposed by the Liberals and Conservatives (innst. O. nr. 96 1919). The Ministry for Social Affairs created an internal policy evaluation group, including the Social-Liberal Thore Myrvang and socialist Emil Stang, who had played key roles in introducing non-contributory pensions in their municipalities (Stor-Elvdal and Kristiania, respectively). The committee presented a non-contributory proposal in 1920 titled “municipality pensions with state subsidies” resembling the Kristiania system

(folkepensjons komiteens ind. 1920). In 1921, based on the committee proposal, a Conservative government proposed a non-contributory system to parliament, but excluding disability because of expenses (ot. med. nr. 1 1921). As a response, a Liberal government proposed a modified contribution pension in 1922, and finally, in 1923, the new Conservative Minister for Social Affairs, Klingenberg, put the issue to the Storting. Having decided on the principle for public pensions in 1923, 1924 observed a vote on implementing a downscaled version of the state-subsidy proposal.

The 1923 law faced several roll-calls. First, there was a vote on postponing the issue, put forward by both Conservative and Liberal MPs. This proposal was defeated with 90 vs. 23 votes. Second, a roll-call vote was held on a Liberal proposal on introducing a contributory- or non-contributory system, with 61 voting for the non-contributory system and 49 for the contributory one. Third, a socialist proposal to implement the enacted non-contributory system was defeated with 61 vs. 49 votes. Fourth, a second postponement proposal by Farmer party MPs was put forward, motivated by the defeat of the contributory system. This was followed by several smaller repeat challenges in the second chamber (Lagting) voiced by Farmer party MPs, centering on the high costs of non-contributory pensions.

A second set of roll-call votes, in 1924, pertained to state subsidies for local pensions. While implementation of the old-age reform was in a stalemate, Castberg (Social Liberal leader) and Hornsrud (Labor party) proposed two variations of the same idea in 1921, namely, to use government funds to support municipality pension payments.

The parliamentary committee for social affairs, preparing the issue in 1924, was split. (Innst. O. IX 1924). The Liberal faction stated outright that they couldn't support non-contributory schemes. The Conservative faction was split, with two of the four conservatives, together with the socialists, proposing a universal state grant for all municipalities, following the 1918 socialist proposal. This solution would immediately reduce municipalities' pension costs. The Conservative committee foreman Morell proposed, instead, that the government should propose a law introducing state

subsidies the next year. The two latter proposals, both headed by Conservative ringleaders in the Storting, were roll-called. The first proposal (immediate subsidies) failed with 69 against 31 votes, and the second one with 56 against 44.

To assess Hypothesis 3, we must investigate MPs' individual vote choice, and whether a vote for reform is associated with coming from electoral districts with extensive local pension coverage.²⁴ Since all socialist MPs voted in favor of pensions reform and subsidies, they are excluded from our logit models in Table 3 as they perfectly predict the outcome (see Appendix A12 for OLS specifications).

Concerning controls, municipalities with pensions were more prevalent in southeastern Norway. We therefore include region-fixed effects. Since our old-age pension measure is time-invariant (no new pension schemes were enacted between the roll-call votes), we cannot include county-fixed effects, which would have ensured a more conservative strategy. Results should therefore be interpreted with some caution.

Yet, other conditions changed between the votes. For instance, the Conservative party held government in 1923, but was replaced by a Liberal government in July 1924. We therefore include (n-1) roll-call dummies to control for such eventualities. These dummies have the added benefit of de-trending the vote-series. Additional individual factors, such as MPs' social class or education could also influence pension reform support. We therefore include dummies for major occupational categories and for types of education. Descriptive statistics and bivariate correlations are in Appendices A10-A11.

Model 1, Table 3 shows the association between percent of municipalities in the MP's election district with an old-age pension and MP voting on non-contributory old-age pension reform (1923) or subsidies to municipalities (1924). For all seven roll-call votes, the dependent variable is coded

²⁴ Appendix Table A9 presents voting patterns against pension reforms aggregated by party.

1 if an MP voted against the reform and 0 if not. In Model 2, the district pension share variable is exchanged with the party membership of the (bourgeois) MPs. In Model 3, we include both variables simultaneously. In Model 4, we add roll-call-vote- and region-fixed effects. In Model 5, we add MP social class dummies to Model 4, and in Model 6 we further add MP education dummies.

Across all specifications, district pension share is significantly associated with vote choice. Having more municipal pensions in the electoral district predicts lower likelihood of voting against pension reform. Figure 3 plots the likelihood of voting against pension reform, by share of municipalities with pensions in the election district, based on estimates from Models 1 (bottom panel) and 3 (top panel). Model 1 estimates that the likelihood of voting against the reform decreases from 60 percent in districts without pensions (e.g., Rogaland, Sogn and Fjordane, Hordaland) to 36 percent in districts where all municipalities have pensions (e.g., Kristiania, district of Hamar, Kongsvinger, Lillehammer, Gjøvik, and district of Hønefoss, Drammen, Kongsberg). Controlling for party membership reduces the average marginal effect from about 40 to 22 percentage points. This might partly reflect that some of the bivariate association observed in Model 1 is driven by district pension share influencing party affiliation or representation (inducing post-treatment bias once controlling for party affiliation). However, adding controls does not substantially impact coefficient estimates.

Farmer party MPs were the most consistent in voting against old-age reform, followed by the Liberal MPs (reference category). The Conservatives and Free-minded Liberal are less likely to vote against than the Liberals. Some cross-party differences are attenuated by controlling for district pension share; coefficients decline for the Free-minded Liberals and Conservatives in Model 3. For Farmer MPs, the predicted probability of voting against reform increases slightly, and the coefficient becomes more precisely estimated once we account for district pension share or regional differences (Model 4).

Table 3 Average marginal effects from logit models on roll-call votes against pension reform, 1923-1924.

	(1)	(2)	(3)	(4)	(5)	(6)
District share pensions	-0.39*** (-7.00)		-0.22** (-3.26)	-0.23*** (-3.91)	-0.27* (-2.52)	-0.27* (-2.52)
Liberals		Ref.	Ref.	Ref.	Ref.	Ref.
Farmers		0.22*** (3.80)	0.25*** (4.08)	0.25*** (4.52)	0.24*** (3.65)	0.24*** (3.65)
Free-minded Liberal		-0.22** (-3.11)	-0.14 (-1.88)	-0.17** (-2.68)	-0.15* (-1.99)	-0.15* (-1.99)
Conservatives		-0.29*** (-5.51)	-0.19** (-2.95)	-0.17** (-3.21)	-0.15* (-2.21)	-0.15* (-2.21)
RCV dummies	No	No	No	Yes	Yes	Yes
Region dummies	No	No	No	Yes	Yes	Yes
Class dummies	No	No	No	No	Yes	Yes
Education dummies	No	No	No	No	No	Yes
Observations	464	464	464	464	447	447

Notes: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$. T-statistics in parentheses. Region, class, RCV dummies and education are excluded for presentational reasons. The dependent variable takes the value 1 if an MP voted against a pension reform and 0 if not. Social liberal vote is perfectly predicted and thus excluded.

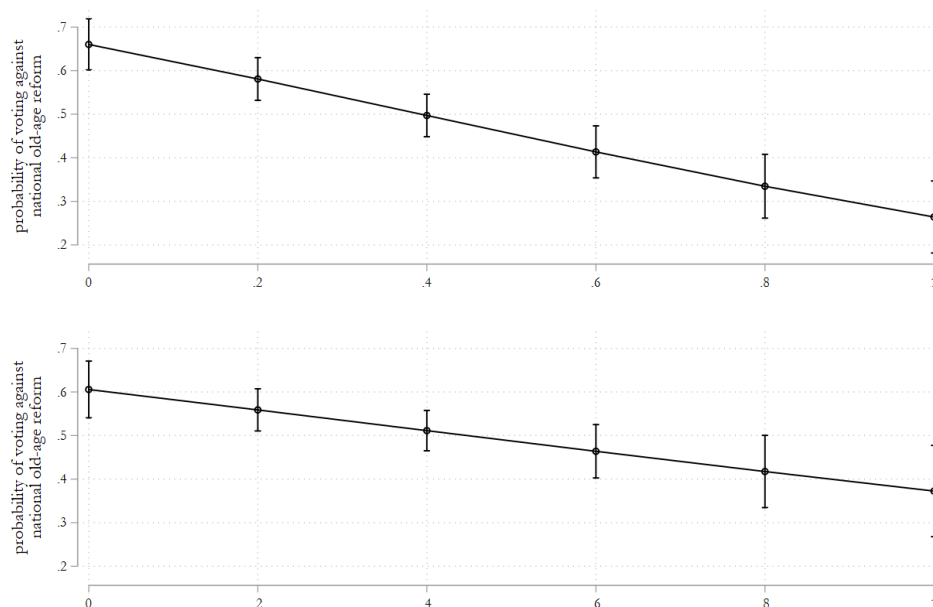


Figure 3: Predicted probabilities of bourgeois MP voting against old-age pension reform proposal, by the share of municipalities in electoral district with local pensions.

Notes: Top panel uses estimates from Model 1, Table 3, and bottom panel uses estimates from Model 3, Table 3 (covariates set to means).

One concern is that these results are driven by the propensity of bourgeois MPs from certain districts to be more/less welfare oriented (for various reasons). One way to assess whether our results are driven by district-specific “pro- or anti-welfare inclinations” is to correlate “district pension share” with bourgeois MP voting on social reforms unrelated to old-age pensions. Hence,

we considered roll-call vote data on social reforms from 1880-1940 (from Rasmussen 2021), pertaining to all major areas of social policy except old-age pensions. Results are in Appendix Table A13, both aggregated and disaggregated by program type. We also show results using only post-1923 roll-call votes.

The district pension measure is significantly correlated with reform voting in some specifications, but the relationship's direction is, in fact, opposite of what we would expect if district-specific pro- or anti-welfare biases generated the results in Table 3. MPs from districts with higher pension share were *less* likely to support other generous social reforms. This makes it less plausible that our observed results for the 1923 and 1924 pension votes are driven by general pro-welfare sentiments in some districts.

Another alternative explanation is that parliamentary roll-call voting outcomes for national pensions *and* local pension legislation are driven more directly by the mobilization of large groups of voters, especially women and socialist voters, in particular districts. Thus, other electoral incentives than our theorized mechanism could explain why MPs from districts with local pensions are more likely to support pension reform. However, in Appendix A15, we show that our main results are robust to adding controls for socialist voting in national elections, women's electoral mobilization, or higher total election turnout.

Finally, our results could hinge on us combining all the described roll-call votes for the two separate reforms. However, in Appendix 16 we consider split samples (by reform), and the disaggregated results are like the aggregated ones.

Substantiating the mechanisms

Before concluding, we use qualitative material to document statements by bourgeois MPs that speak to the two mechanisms described in our argument, namely the agenda-setting effects of local pensions and the need to offset municipalities financial pressure stemming from local pensions. We concentrate our discussion on the 1923 act on national non-contributory old-age pensions.

To begin with, the Conservative MP Morell, Chairperson of the Social Affairs Committee and majority speaker, outlined how the socialists' local efforts had shaped the national agenda by proving the merits and viability of the non-contributory model:

“When the contributory pension came under consideration (..) several appeals was submitted to parliament, among others from Kristiania city council (..) for the implementation of an old-age pension based on the non-contributory principle. One had waited on the national old-age pension, and it looked like no state scheme would emerge. Under these conditions, various municipalities brought up the question of what could be done to (..) introduce a more human system for caring for the old (..)- This tendency has spread to such an extent that more than 100 municipalities have now introduced pensions. (..) the non-contributory system is therefore well known and tried. As far as I know, everywhere this system has been implemented it has been met with satisfaction and Norges byforbund has recommended that this system should be brought into law, a recommendation supported by practical evidence” (Stortingstidende 1923, 711-715).

Experiences with local non-contributory pension systems were, more generally, actively invoked in the debate. For example, Morell noted – as a counter to claims of high administrative costs – that, “there is close to no administration expenses in municipalities that have already introduced the old-age pension” (Stortingstidende 1923, 908). This was echoed by Conservative Getz outlining Kristiania's experiences (Stortingstidende 1923, 911).

The Conservative MP Løvenskiold from Telemark defended the non-contributory scheme on the very ground that it would offset the costs borne by the municipalities that had introduced pensions.

“To be honest, I initially supported the contributory system. (..) Looking at the issue anew, we must first remember that in our country a pension scheme has already been introduced in many places. This fact changes the case. In fact, there are municipalities with a population of almost 1.2 million people where the old-age pension has already been implemented. (....)

I do not think I am exaggerating when I say that practically all the municipalities that have introduced this scheme – with Kristiania as an exception – may either reduce pensions or abolish them. It is about helping these municipalities, in one way or another. In my opinion, this is the weakness of the contributory system; in practical terms, it could not help these, if I may say so, needy municipalities.”

Similar arguments were followed by other prominent Conservatives from electoral districts with high pension shares. For example, (future social minister) Morell argued that

“several municipalities have introduced old-age pension, and several of these municipalities have requested Stortinget’s support to keep the introduced pensions operating. (...) it is in Odelstingsmeddelse nr 2 suggested that the state should subsidize each pension by 40 kroner, Byforbundet has requested a specific percentage of costs reimbursed, and the social committee (...) to give a specific sum depending on the municipality’s number of elderly. We must, however, decide on the principle of the system before we consider the question of how to support local schemes” (Stortingstidende 1923, 693-695).

This was echoed by social minister Klingenberg: “There is one factor that necessitates that we get a decision on the principle of [old-age pensions]. There are several municipalities with old-age pensions (...) [and] there have been demands in this house to find a solution to help these municipalities (...) but before we can do this, one must have a principled inquiry on the main question” (Stortingstidende 1923, 748). These are only some excerpts from the extensive Storting debates. We provide additional quotes from Conservatives who were for or against the 1923 and 1924 reforms and illustrate Liberal and Farmer MPs’ positions in Appendices A17-A18. Especially the Conservatives motivated their voting in a manner conforming with our theoretical expectations.

The socialists hinted at their local strategy also in the parliamentary debate, bringing up how Conservative or Liberal reform-opponents could expect to lose at the ballot box because of local pensions. For example, one Labor MP responded to Conservative Blakstad’s declaration that he

would vote against pension reform by stating that “I don’t know what Mr. Blakstad’s electoral constituency would say about his opinion. All cities in Mr. Blakstad’s constituency have introduced non-contributory pensions, and I therefore think it would be in Mr. Blakstad’s interest to consider his electoral constituency and do anything to help his constituents in keeping their pensions” (Stortingstidende 1923, 743-744).

Concluding discussion: insights travelling beyond a small country in the northern hemisphere?

We have developed an argument concerning how relatively institutionalized political parties with local branches can influence policy nationally through first shaping local policy. Parties that – regardless of clout in national institutions – occupy positions of power in municipalities can do so through successfully showcasing policy blueprints locally, and, more indirectly, through influencing the (fiscal or other) benefits and costs of national-level policies. Hence, even nationally less powerful actors can, under beneficial circumstances, shape the national agenda and influence viable political coalitions behind different national-level policy alternatives through local-policy legacies.

We applied this argument to pension policy in early-20th century Norway. Instead of summarizing the contextualized version of our argument and findings, we discuss what general insights can be drawn from our study? Answers are bound to be more speculative, but we still believe that several more general lessons are plausible.

Let us first, however, clarify what we mean by “more general” – what are the scope conditions of our argument? First, our argument, we believe, is not restricted to pensions. But it does not pertain to all policy areas either. Specifically, complex strategies operating across multiple levels of government and national feedback effects of local policies should be possible for policies where organizationally and fiscally viable solutions can be proposed both at the national- and local levels – i.e., where there are neither very large increasing- (e.g., defense policies) nor decreasing (e.g., cultural initiatives) returns to scale -- and where programs on different levels may act as substitutes.

The blueprint mechanism also presumes that local-level and national-level solutions can look similar in terms of policy design. Examples of relevant policy areas, we suggest, include other social policies, education policies, and basic health services. Second, concerning temporality, we are more likely to observe the theorized multi-level strategies and dynamics in policy areas without any large pre-existing national programs or well-functioning markets with private alternative that already placate voters' demands. In practice, our argument may therefore be more applicable historically than contemporarily (in most policy areas) in developed countries, and – at present – more applicable in developing than developed countries.

Third, our argument requires a fairly decentralized political system, where meaningful policy initiatives may be pursued by local units and where local-level offices are filled through different processes (and thus often occupied by different actors) than national-level offices. Fourth, our argument presumes multi-party competition over relatively heterogeneous groups of voters, implying that parties may have incentives to cater to different groups by pursuing distinct policy options. Although universal suffrage and perfectly free and fair elections need not be requisites, we must assume fairly extensive suffrage and relatively competitive elections, both at the local and national levels. Moreover, the complex multi-level policy strategies and responses discussed here require institutionalized political parties with extensive local branches and mechanisms for channeling and aggregating local preferences to the national level. In sum, our argument requires a relatively decentralized, relatively democratic system, with institutionalized parties competing at both the local and national levels.

Considering then, the more specific general lessons, our study points to the often-overlooked importance of programmatic party development for social policy. Institutionalized, programmatic parties compete through ideology and policy appeals to specific electoral groups, among which social policy proposals are key, and these parties also have the resources to develop complex welfare policy proposals and coordinate strategy between local branches (see also Orloff & Skocpol, 1984;

Lynch 2006; Pribble 2013; Rasmussen & Knutsen 2021). Generalizing findings from national contexts with fully institutionalized parties to contexts where parties do not compete based on national policy programs or lack coherent internal structures or linkages to social groups, can be misleading (Chhibber & Kollman, 2009; Jensenius & Suryanarayan, 2022). Party institutionalization, especially among socialist parties, facilitated local welfare development in Norway, but it also made possible the influence of local Conservative politicians on their party's national line, eventually ensuring cross-class support for a non-contributory old-age pension. Previous literature (e.g., Lynch 2006) has linked programmatic competition between institutionalized parties to the degree of universality in pensions introduced from the 1930s. We show how, in Norway, institutionalized parties competing on programmatic grounds also spurred the adoption and early development of pension programs, and not only the choice of their structure or further development once in place. This insight might help us shed new light on the debate on the origins of the non-contributory pensions and the recent global adoption of these types of pensions in many developing countries (Carnes & Mares, 2014; Dorlach, 2021; Pribble, 2013).

Second, we have provided an alternative story of how electoral incentives and linkages that shape programmatic parties' pension system preferences. Embedding our argument in the Norwegian case, we show how previously assumed driving forces behind non-contributory pension systems (such as farmer parties) originally opposed these schemes and that it was primarily worker parties that, initially, promoted their introduction. Hence, our findings allow us to contextualize and reconsider the historical development of non-contributory pensions (e.g., Baldwin 1990; Nørgaard 2000; Bonoli 2003; Lynch 2006).

We also provide a novel response to the question of why bourgeois parties came to support and pursue non-contributory pension reform, responding to the challenge of Baldwin (1990) and others (e.g., Mares 2003; Iversen & Soskice 2009). Our contrarian perspective is one of "local embedded welfare state development", highlighting the political agency of socialist parties and the local policy

legacies they created instead of the agency of farmers or liberal reformers (cf. Baldwin 1990; Nørgaard 2000). Local programs facilitated a shift in the national policy agenda and created their own (and seemingly unlikely) supporters, following the logic outlined by Pierson (1996). However, this was no “*New politics of the welfare state*”, to quote Pierson’s seminal 1996 article. Instead, local programs created supporters among bourgeois politicians way before the welfare state’s maturation in the 1960s. Thus, parties representing worker interests could -- through local policies -- shape the possibility space for cross-class coalitions and reform at the national level. This allowed the socialists to overcome their relatively weak national political position. Contrary to previous claims (e.g., Baldwin 1990; Esping-Andersen & Korpi, 1986), socialists were therefore not too weak to influence national policymaking, although the influence they exercised was of an indirect kind.

Our study complements the prevailing statist focus on the origins of the welfare state (e.g., Korpi 1989, 2006; Esping-Andersen & Korpi 1986; Baldwin 1990; Huber & Stephens 2001; Hicks 1999; Iversen & Soskice 2009; Manow, 2009; Mares, 2004; Rothstein 1998), and the federalism literature’s focus on how local initiatives may have detrimental effect on national policies (e.g., Skocpol 1992; Pierson 1995). It also bridges studies of municipality socialism (e.g., Cohn 1910; Leopold & McDonald 2012) with the broader welfare literature, showing that local development should not be viewed as detached from national policy. By underscoring how political struggles for local welfare arrangements shaped the strategies and partisan logic on national welfare politics through local policy legacy in the Norwegian context, we believe we have outlined how local welfare developments *could* influence the enactment and features of national social policy programs in other contexts, especially in relatively democratic, unitary states that have relatively decentralized governance structures and institutionalized parties. Yet, whether similar mechanisms played out in other contexts ultimately remains an empirical question, to be answered by future research.

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Online appendices for:

“Laying Down the Principles: How Local Socialist Achievements Spurred National Bourgeois Support for Public Pensions”

Appendix A1 contains a critical discussion of Hanssen et al. (2001), the only previous quantitative study of non-contributory pensions in Norway. We outline how their analysis is associated with several issues, especially pertaining what kind of data is used relative to what inferences are drawn.

Appendix A2 provides additional details on problems and solutions for how to aggregate the local election results to party families and how to distinguish local/non-affiliated representatives party representatives under plurality rule voting.

Appendices A3-A8 present descriptive statistics and additional results and information from the section on local pension adoption and the role of the various party families. Notably, A7 and A8 contain, respectively, a short case-study of non-contributory pensions in Kristiania and a summary of additional findings on non-contributory pension adoption in other municipalities from which we have been able to find data.

Appendices A9-A15 present descriptive statistics and additional results and information from the section on national pension reform. The results include the placebo test pertaining to whether the share of municipalities in an election district that have pensions is associated with a general tendency for pro-welfare voting by MPs as well as robustness tests where we control for national socialist voting or female voter mobilization.

Appendices A16-A17 present additional qualitative information (in the form of parliamentary speeches) from Conservative, Liberal and Farmer MPs on their preferences for and arguments in favor/against old-age pension reform.

Finally, **Appendix A18** presents additional examples of Socialist MPs using the threat of electoral backlash to push reluctant Conservative and Liberal MPs to support pension reform.

Appendix A1. A critical discussion of Hanssen et al. (2001)

The one quantitative study undertaken on local Norwegian pensions is Hanssen et al. (2001). Using a cross-section of Norwegian municipalities and various measures of old-age reforms, Hanssen et al. (2001, 31-32) purport to show that Socialist parties were more inclined to introduce social security programs, whereas the especially the Liberals, were be more likely to leave social security problems to the private insurance sector. They do not find any significant association between Conservative and Agrarian influence and pension implementation. Regrettably, this study does not tell us whether local party strength resulted in the adoption of pension programs.

Hanssen et al. (2001) do not, in fact, measure local political strength. Instead of using local election results across the period of old-age pension expansion, the authors have used the distribution of votes in one *national* election to proxy for local party influence. While this might reflect that the local election results -- outside of a few cities using list-elections -- have been lost (until recently), this is, unfortunately, not discussed or even made clear to the reader in the main text. Yet, Hanssen et al. do note, in appendix table ii, that the vote share variables are measured in 1921, which is the year of a national election.

How well would election results from a single election work to proxy for local political influence in a study on pension adoption? Not very well, we propose.

First there is the issue of timing, as 78 of the 108 pensions were introduced prior to the national election of 1921. This means that the dependent variable's values are assigned prior to the measurement of the independent variable.

Second, a single national election is a poor proxy for local elections in the period 1913-1922. There are several reasons for the discrepancy. First, local elections were a fundamentally different affair from that of national elections in the early 20th-century Norwegian context. The level of partialization (share of representatives going to political parties) was still low in local elections, while national elections were close to completely partialized starting in the 1880. In fact, not a single independent candidate was elected in the 1921 national election to the Storting. At the local level, however, a large share of elections were determined by plurality rule between local candidates or were dominated by local lists well into the 1930s (Hjellum, 1967).²⁵ This pattern is clearly illustrated by table 1 in our main paper, from which we can see that the average support of parliamentary parties tended to be weak in most counties. Furthermore, partisan support changed substantially between 1910s and 1920s. For example, while the labor party gained most representatives for the capital of Kristiania in the 1916 election, it was unable to gain similar numbers in 1919-1925.

Third, parties with strong but concentrated local support would be severely underestimated when using results from national elections. One example is the Social Liberals. Contrary to Hanssen et al.'s (2001, 31) claims that "they [Social Liberals] were too small to have any reasonable impact on policy goals, and they ran their candidates in too few municipalities to be of interest", we now know that Social Liberals dominated several municipality councils in the relevant period, holding a high share of seats in the county of Oppland. The claim that the party was too small to have policy influence also runs against historical work. A fitting example was the municipality of Stor-Elvdal, in which the social-liberal Thore Myrvang, was mayor and facilitated the implementation of the *first* old-age pension in 1916. Thore Myrvang was later part of the departmental commission that wrote the Conservative non-contributory pension proposal of 1921 that was enacted in 1923.

²⁵ The Norwegian local electoral law of 1896 set out local elections by plurality rule as the baseline but allowed for elections under list-PR if a designated part of the electorate petitioned for it. In 1919, the new election law mandated that if two lists were accepted by the election officials, the election would be held by PR (Hjellum 1967).

Appendix A2. Notes on Norwegian party and local list classification

In local Norwegian elections across 1913-1925, bourgeois parties were often organized in different local forms and under different names, as most local branches had wide powers with respect to list nominations (Hjellum 1967). Furthermore, the bourgeois parties were in a period of forming counter-socialist lists in areas where socialists could win seats.

When measuring local party influence, we classify the following local list variations as “Conservative”: co-list between free-minded Liberals and Conservatives and general bourgeois anti-socialists (Samlingspartiet, Borgerpartiet). Furthermore, the close collaboration and intermingling between the Free-Minded Liberals and Conservatives mean that these are also included under “Conservative”. However, we note that only using a strict Conservative party (Høire) representation share does not change the substantial results.

Similarly, several socialists’ parties existed at the time of our study. Our socialist share measure includes representatives for all the major national parties (Det Norske Arbeiderparti; Norges Social Demokratiske Arbeiderparti ; Norges Kommunistiske parti). All worker lists that are not affiliated with one of the national parties have also been coded as a socialist local list (e.g., arbeidernes liste).

While the agrarian society would only form an independent party in 1921, the preceding organization fielded and supported national and local politicians from its inception in 1896. One reliability issue is that it is sometime hard to distinguish local interest group lists (such as “bondelista”, “farmer list”) from farmer party lists. We therefore use a restrictive criterion, only assigning farmer lists if it references the farmer organization or the word “party” (to not include non-institutionalized local lists under the Farmer party umbrella). Elections under plurality rule (voluntary since 1896 and mandatory for elections with more than one list from the 1919-election) meant that local candidates were be elected without an official party label. Newspapers tended to classify these based on known partisanship, and ANONYMIZED ARTICLE therefore uses the newspaper classifications in combination with official party documents when determining partisanship.

Appendix A3. Descriptive statistics for local pension adoption, sample restricted to model 2, table 2 in the main text

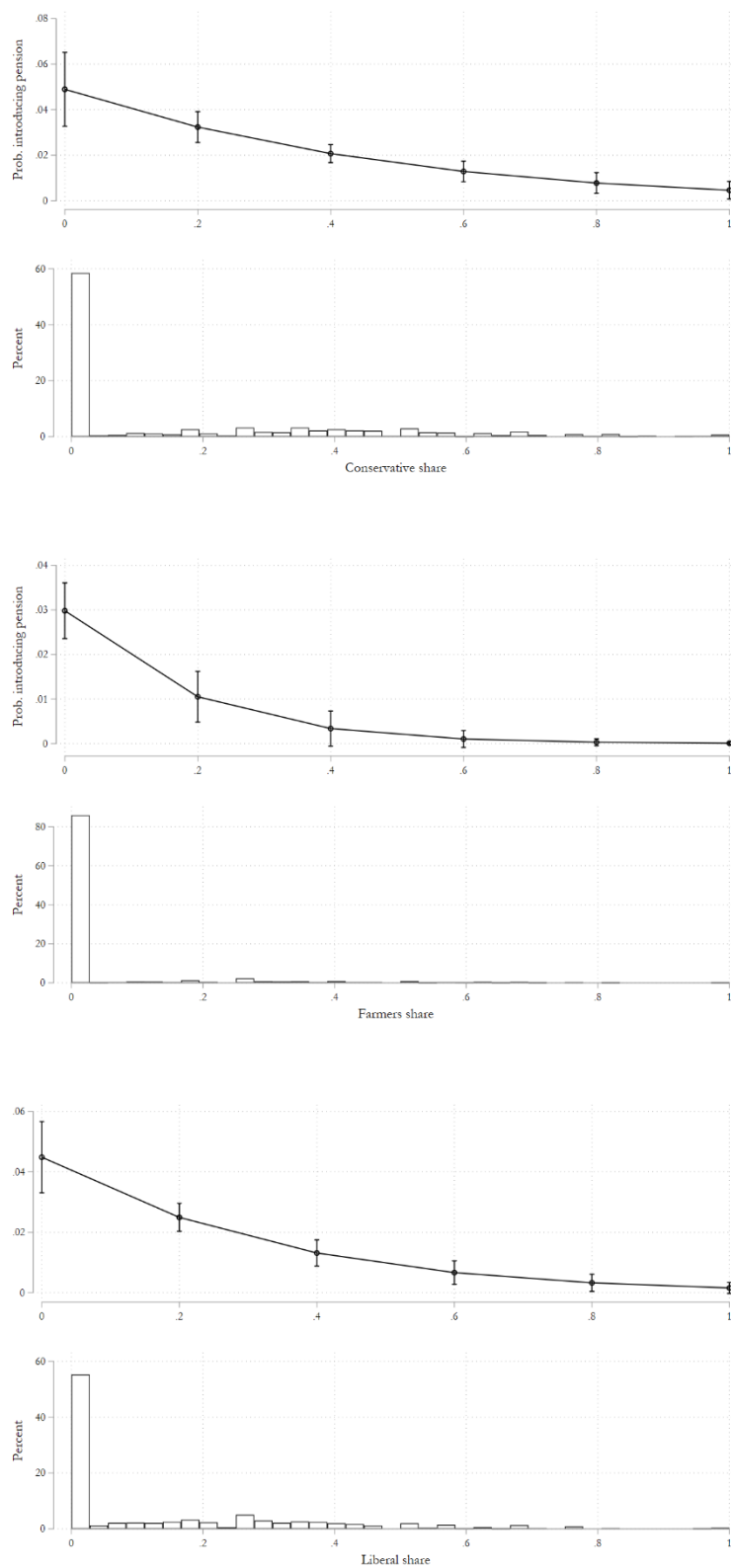
	Mean	Std	Min	Max
Old age pension	0.02	0.15	0	1
Number of old age pensions	0.05	0.31	0	3
Socialist share	0.18	0.20	0	1
Non-programmatic share	0.40	0.42	0	1
Social Liberal share	0.03	0.11	0	0.93
Temperance share	0.01	0.05	0	0.68
Farmers share	0.04	0.13	0	1
Liberal share	0.14	0.20	0	1
Conservative share	0.17	0.24	0	1.
Population density	442.80	1500.25	0.61	14578.16
Turnout	47.18	17.38	6.10	93.82
Poor relief expenditure	35686.65	236612.50	441.13	7018688
Employment share industry	20.05	13.28	3.06	68.24
Employment share services	21.56	10.24	7.22	63.50
Employment share seafaring	2.60	4.55	0	37.86

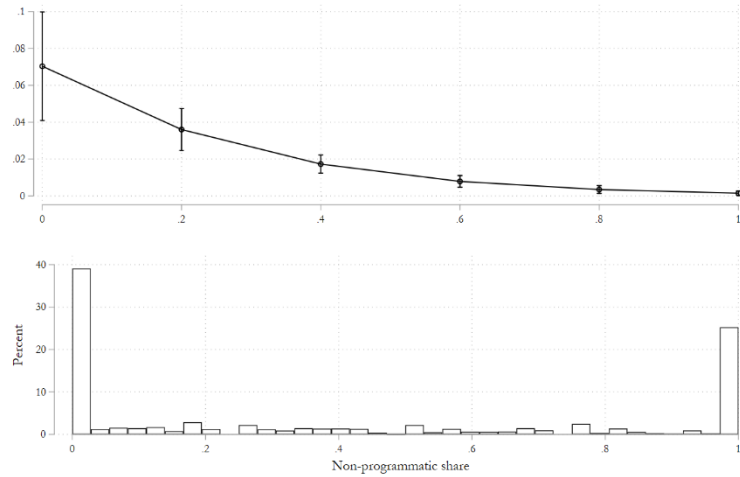
Appendix A4. Pearsons r correlation matrix between main variables used in table 2

	Old pension	Number pensions	Socialist share	Non- progr. sh.	Social Lib. sh.	Temperance share	Farmers share	Liberal share	Conservative share	Pop. dens	Turnout	Poor relief exp.	Empl. Ind.	Empl. Serv.	Empl. Seaf.
Old pension	1														
Nr pensions	0.933***	1													
Socialist share	0.144***	0.144***	1												
Non-prog. sh.	-0.128***	-0.121***	-0.629***	1											
Social Lib. sh.	0.0706***	0.0547**	-0.0962***	-0.141***	1										
Tempera. sh.	0.0364*	0.0332	0.0443*	-0.152***	-0.0478**	1									
Farmers sh.	-0.00126	-0.00773	0.00825	-0.176***	0.0763***	-0.0365*	1								
Liberal sh.	-0.00851	-0.00909	0.106***	-0.495***	-0.106***	-0.0339	0.0181	1							
Conserv. sh.	0.0722***	0.0708***	0.237***	-0.606***	-0.0318	0.0670***	-0.126***	-0.0152	1						
Pop. density	0.0900***	0.0844***	0.119***	-0.156***	-0.0404*	0.484***	-0.0608***	-0.0366*	0.147***	1					
Turnout	0.130***	0.126***	0.339***	-0.422***	0.133***	0.194***	0.0641***	0.166***	0.212***	0.223***	1				
Poor relief expenditures	0.108***	0.121***	0.109***	-0.102***	-0.0156	0.103***	-0.0201	-0.0152	0.0980***	0.415***	0.0911***	1			
Empl. industry	0.163***	0.158***	0.398***	-0.341***	-0.0451*	0.269***	-0.00949	0.00118	0.257***	0.443***	0.346***	0.182***	1		
Empl. services	0.121***	0.118***	0.247***	-0.261***	-0.0284	0.432***	-0.0943***	-0.0276	0.232***	0.646***	0.257***	0.279***	0.585***	1	
Empl. seafaring	-0.00949	-0.0140	-0.0755***	-0.0250	-0.109***	0.185***	-0.0610***	-0.0686***	0.196***	0.316***	-0.0814***	0.0517**	0.256***	0.334***	1

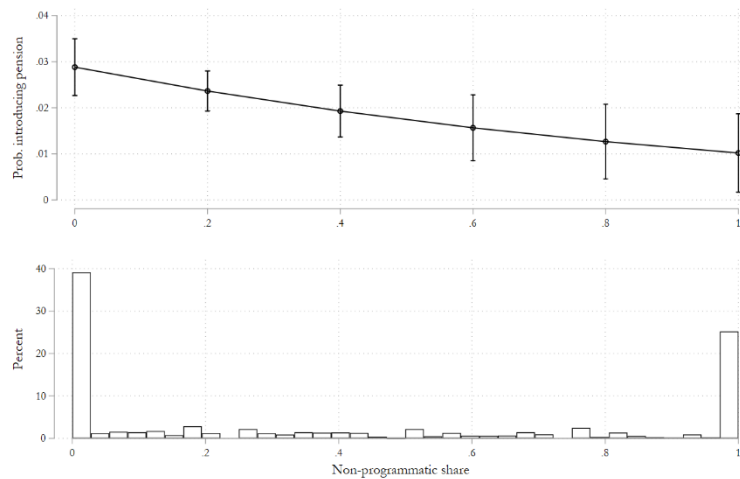
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Appendix A5 Additional results for adoptions of municipality pensions. Main results, with histogram to show sample distribution, model 3 table 2.





Appendix A6. Additional results for adoptions of municipality pensions. Non-programmatic parties compared to non-socialist programmatic parties (reference category); except change party categories, model otherwise similar to model 2 in table 2.



Appendix A7. A short case-study of on the politics of the non-contributory pension enacted in Kristiania and its relation to the 1923 and 1936 acts.

Kristiania (today Oslo) was the capital of Norway from its independence from Denmark in 1814. The socialist had since the start of the 20th century aimed to take control in the rapidly growing capital away from a coalition of Conservatives and Free-minded Liberals. They eventually succeeded. Following the 1916 local election, the Labor party held 50% of all municipal representatives, had the mayor (Carl Jeppesen, previous party chairman) and ruled with support from the urban Liberals (6%) against a minority of Conservatives and Free-minded Liberals.

On September 3 1917, Carl Jeppesen proposed the introduction of a municipal old-age and invalidity pension. A committee was set down to evaluate the question, consisting of 3 Socialists, 1 Liberal and 2 Conservatives. The current Labor party secretary Magnus Nilssen, who had been part of the Labor party's pension commission (Debes et al. 1918), and future Labor party chairman Emil Stang, were among the members. The last socialist, Adolf Indrebø would later be finance

minister under the 1930s-Nygaardsvold government (which would finally implement the national 1923 old-age pension act). Stang ended up chairing the committee. The choice of employing a political commission instead of relying on the relatively large bureaucracy of the capital was not coincidental. Jeppesen had avoided using the municipality administration to evaluate the question, knowing that it was staffed by actors hostile to his project such as the Magistrat and Free-minded Liberal party member Arctander (Molland 2022).

The committee split into a majority consisting of the three socialists and the Liberal Party member, and a minority consisting of the two Conservative party members. The latter proposed that the question should be postponed, and only secondarily, extend the poor relief system to include "worthy recipients". Postponement was justified by the Conservative leader in a twofold manner; first, he argued, one should await a possible national pension, and second it would be too expensive. Both points were reiterated by Conservative politicians, including the magistratus Arctander, stating "it is my duty as financial magistrate in Kristiania [Oslo] to advise against pursuing this reform now, a reform that will entail such heavy new expenses for the municipality". The leader of the socialist fraction in the committee, Emil Stang, highlighted that even if the national insurance passed parliament, the first pensions would only be paid after 14 years, making any postponement based on national pensions a close to indefinite postponement in practice. Stang furthermore argued against a reformed poor relief solution. Since eligibility would be conditioned on the wealth and income of the family and not the individual, poor workers with poor parents would face an additional burden. The socialist proposal was different in that only an income test would be applied to the individual, socializing the household risk of old age. This raised the fervor of the opposition, Free Minded Liberal Arctander argued that "[it] is a duty – a duty of love" to support one's parents in old-age, and the Conservative party spokesman, Skjeldrup, protested against socialization of household risk, arguing that "[it] doesn't fit with our current social order" (Hatland 1987, 24).

The postponement proposal garnered the full combined votes of the Conservatives and Liberal Minded Left but was defeated by the Socialists and the Liberals. With some exceptions, the proposal passed without major amendments. The pension introduced disability and old-age pensions, with the benefit accruing at the age of 70 with a replacement rate of 60% of a specified basic wage (serving as an income-test). The pension was not means-tested. A motherhood pensions was added the same year.

Notably, these pensions were not removed in the following years of Conservative rule over the capital; benefit levels were, however, held flat despite times of high inflation, reducing the relative impact of the pension. Furthermore, at Jeppesen's behest, it was unanimously decided to submit a petition to parliament and the government to implement a similar national scheme as soon as possible. The petition, it was decided, should also be accompanied by the law text of the Kristiania pension scheme, to inform the Storting about the system.

With the government accepting to evaluate a non-contributory option in 1919, it was natural to include somebody with knowledge of the local non-contributory pensions. So it was that Emil Stang, who had headed the Kristiania commission, was appointed to the national folk-pension committee of 1919. This meant that the Kristiania pension, through the representation of one of its main advocates, would have a fairly clear impact on the structure of the proposed national non-contributory scheme. However, Stang's appointment to the committee was not straightforward as the Liberal social minister rejected an appeal from the socialist to replace their member of the committee (appointed by the minister) with Stang. It was only following a unanimous declaration by the committee that the Liberal social minister was forced to accept Stang. The basic system of the 1919 Kristiania system was thus used as building blocks for the committee proposal (Hatland 1987), but the committee also collected information on pensions introduced in other municipalities across the country.

Appendix A8. Additional results on the role of socialists on pension generosity, agenda-setting, and policy evaluation

The results in the main paper provide information on whether municipalities differed in their likelihood to introduce pensions and leave open questions of whether local party strength influenced the generosity, eligibility, and conditionality of pensions. Yet, we were able to uncover a roll-call vote undertaken in the urban municipality of Lillestrøm. Here the committee had proposed a retirement age of 70, with the socialist mayor Nordahl proposing instead 65. In the rollcall vote, all socialists voted in favor of 65, all conservatives, with one exception, voted against, and all Liberals voted against (Akershus Social-Demokrat, torsdag 6. november 1919, page 1).

Which actors set the issue on the agenda? On this point, cursory analysis for all municipalities for which we have found information (34 of 109) suggest quite clearly that the proposals almost always originated from the socialist parties. Sometimes, the legislative proposal was even written by the worker organizations themselves. In Nordre Odalen, for example, the proposed pension law was written by the worker organizations and submitted to the municipality council (Hedemarkens Amtstidende, lørdag 2. februar 1918, page 2). This underlines the role of organizational resources available for institutionalized parties, as highlighted in the theoretical section, enabling them to propose quite complex local legislation even in sparsely populated rural areas where they have incentives to do so.

Appendix A9. Parties and roll-call voting on national old-age pensions, 1923-1924

	Votes against old-age reform		Average share of local old-age pensions in election district	
	Share	Std.	Share	Std.
Socialists	0	0	0.46	0.34
Social Liberal	0.50	0.53	0.45	0
Liberal	0.63	0.48	0.11	0.22
Farmer	0.85	0.35	0.20	0.25
Free-minded Liberal	0.41	0.49	0.42	0.33
Conservative	0.35	0.47	0.52	0.35

Note: The following voting options are coded as “against”: 1923: voting in favor of postponement, voting for a contributory system, voting against implementation, voting in favor of second postponement proposal. 1924: voting against immediate subsidies, and voting against future subsidies.

Appendix A10. Descriptive statistics from National Pension Roll-Call Voting, sample restricted to model 3 in table 4.

	Mean	Std	Min	Max
Pension reform vote	0.54	0.49	0	1
Pension share in distr.	0.32	0.35	0	1
Liberal party	0.35	0.47	0	1
Farmer party	0.14	0.35	0	1
Free Minded Liberals party	0.14	0.35	0	1
Conservatives	0.36	0.47	0	1
Occupations:				
Farmer	0.41	0.49	0	1
Teacher	0.06	0.23	0	1
Major merchant	0.14	0.34	0	1
Minor merchant	0.07	0.25	0	1
Landowners	.0045	0.20	0	1
Public Servant	0.11	0.32	0	1

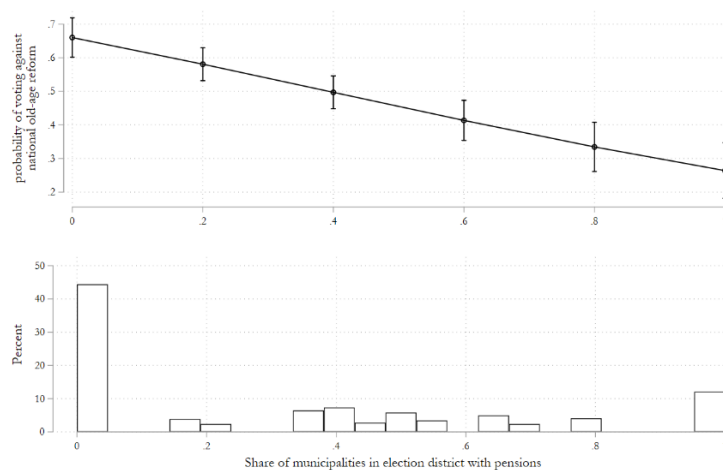
Roll-call dummies, region and education dummies not shown given the large number of categories. 1 on the pension reform variable means voting against reform.

Appendix A11. Correlations between main variables used in RCV analysis.

	Pension ref. vote	Pension share distr.	Liberal party	Farmers party	Fr. Liberal party	Conserv.	Farmer	Teacher	Major Merchant	Minor Merchant	Landowner	State Official
Pension ref. vote	1											
Pension share distr.	-0.266***	1										
Liberal party	0.135**	-0.428***	1									
Farmers party	0.256***	-0.136**	-0.302***	1								
Free Minded Liberal party	-0.110*	0.125**	-0.305***	-0.169***	1							
Conservatives	-0.241***	0.435***	-0.552***	-0.305***	-0.308***	1						
Farmer	0.225***	-0.419***	0.205***	0.227***	-0.179***	-0.239***	1					
Teacher	0.0144	-0.0837	0.116*	0.0621	-0.103*	-0.0859	-0.209***	1				
Major merchant	-0.124**	0.365***	-0.212***	-0.163***	0.224***	0.165***	-0.334***	-0.0988*	1			
Minor merchant	-0.0706	-0.0749	-0.0176	-0.112*	0.237***	-0.0752	-0.229***	-0.0678	-0.109*	1		
Landowners	-0.0427	0.127**	-0.160***	0.0660	-0.0893	0.177***	-0.182***	-0.0538	-0.0860	-0.0591	1	
State official	-0.00703	-0.0670	0.170***	-0.0487	-0.0903	-0.0671	-0.305***	-0.0902	-0.144**	-0.0990*	-0.0785	1

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Roll-call dummies, region and education dummies not shown given the large number of categories. 1 on the pension reform variable means voting against reform.

Appendix A12. Main result figure from RCV analysis with histogram



Appendix A13. Additional results for RCV on national pension reform. Re-estimating the main models using least squares regression and including non-elite MPs in sample.

Average marginal effects on the role of various parties on roll-call votes for or against pension reform 1923-1924.

	(1)	(2)	(3)	(4)	(5)	(6)
Share in district with pension	-0.40*** (-7.57)		-0.16** (-3.08)	-0.16** (-2.69)	-0.14* (-2.13)	-0.20* (-2.56)
Labor		Ref.	Ref.	Ref.	Ref.	Ref.
Liberals		0.64*** (13.69)	0.58*** (11.64)	0.56*** (11.64)	0.55*** (10.82)	0.49*** (8.36)
Social-Liberals		0.50*** (3.38)	0.50*** (3.39)	0.50*** (3.61)	0.49*** (3.37)	0.55*** (3.52)
Farmers		0.86*** (14.08)	0.82*** (13.11)	0.81*** (14.03)	0.78*** (12.90)	0.72*** (9.80)
Frisinnede Venstre		0.42*** (6.84)	0.41*** (6.78)	0.38*** (6.82)	0.37*** (6.08)	0.35*** (5.04)
Conservatives		0.35*** (7.71)	0.36*** (7.96)	0.37*** (8.81)	0.36*** (8.01)	0.31*** (5.59)
RCV dummies	No	No	No	Yes	Yes	Yes
Class dummies	No	No	No	No	Yes	Yes
Region dummies	No	No	Yes	Yes	Yes	Yes
education dummies	No	No	No	No	No	Yes
Observations	620	620	620	620	620	620

Notes: * p<0.05; ** p<0.01; *** p<0.001. T-statistics in parentheses. The dependent variable takes the value 1 if an MP voted against a pension reform and 0 if not.

Appendix A14. Additional results for RCV on national pension reform. Testing whether pension share in district is associated with pro-welfare voting.

Average marginal effects from logit models on roll-call votes for or against social reforms.

	All programs (exc. pensions)		Unemployment		Sickness benefits		Accident insurance		Child protection and poor relief		Employment protection		Housing	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
District pension share	0.086*** (6.31)	0.098*** (5.29)	0.18*** (5.47)	0.25*** (5.22)	0.31*** (6.49)	0.13* (2.54)	0.016 (0.26)	0.69*** (12.40)	-0.013 (-0.31)	0.18 (1.86)	0.028 (0.78)	0.048 (0.92)	0.13*** (5.58)	0.14*** (5.19)
Observations	19465	5253	2779	820	2624	667	1473	141	2501	162	4232	462	4819	2473
R ²														

Notes: * p<0.05; ** p<0.01; *** p<0.001. T-statistics in parentheses. region, class and RCV dummies are excluded for presentational reasons. The dependent variable takes the value 1 if an MP voted against a pension reform and 0 if not.

Appendix A15. Additional results for RCV on national pension reform. Controlling for socialist voting, (total) turnout, and female turnout in the electoral district.

Logit models on roll-call votes for or against pension reform.

	(1)	(2)
Share of municipalities with pensions	-1.04*	-2.10*
	(-2.51)	(-2.23)
Socialist voting	-1.86	2.02
	(-1.76)	(1.25)
Turnout	0.15	0.012
	(0.26)	(0.01)
Female turnout	-0.99	-1.97
	(-1.23)	(-1.33)
Liberals		Ref.
Farmers		1.82***
		(3.31)
Liberal Minded Liberals		-0.98*
		(-1.96)
Conservatives		-1.01*
		(-2.33)
RCV dummies	No	Yes
Class dummies	No	Yes
Region dummies	No	Yes
Education dummies	No	Yes
Observations	464	447

Notes: * p<0.05; ** p<0.01; *** p<0.001. T-statistics in parentheses. region, class and RCV dummies are excluded for presentational reasons. The dependent variable takes the value 1 if an MP voted against a pension reform and 0 if not.

Appendix A16. Additional results for RCV on national pension reform. Splitting sample by reform, state subsidy reform (1924) and national pension reform (1923)

Average marginal effects from least squares regression models on roll-call votes for or against pension reform, split by state subsidy reform (1924) and national pension reform (1923)

	State subsidies reform		National pension reform	
	(1)	(2)	(3)	(4)
District pension share	-0.50***	-0.32**	-0.36***	-0.20*
	(-6.12)	(-3.31)	(-4.76)	(-2.42)
Liberals		Ref.		Ref.
Farmers		0.044		0.34***
		(0.49)		(4.17)
Liberal Minded Liberals		-0.17		-0.19*
		(-1.93)		(-2.16)
Conservatives		-0.24**		-0.14*
		(-2.97)		(-2.12)
Observations	144	144	320	320
R ²				

Notes: * p<0.05; ** p<0.01; *** p<0.001. T-statistics in parentheses. The dependent variable takes the value 1 if an MP voted against a pension reform and 0 if not.

Appendix A17. A selection of conservative MPs statements in favor of non-contributory pension reform or state subsidies to local municipality pensions, 1923-1924.

The official party line for the Conservative party on old-age pensions was presented in several major documents. The first was the legislative proposal for a non-contributory pension, and, second, in documents from the social commissions, preparing the 1923 reform for parliament. In the latter, Conservative's representatives made common cause with the Socialists. (Innst. O. XVIII 1923, 32-34).

We here show additional statements from supporters of non-contributory pension reform connect local pensions to the need for a state reform. In addition, we document the reasoning of Conservatives that didn't support the state pension. These tend to highlight traditional conservative outlooks pertaining to financial soundness and support for a contributory system (if a pension system is deemed as unavoidable).

Morell: *Chairperson of the social committee, speaker for the majority; high pension share in district (68 percent), speech made in first chamber*

"There are other parts of the issue to consider, regarding whether today to vote over the materiality of the issue or not, than the financial situation of the moment. Firstly, there is the issue, (which Mr Almelm is also aware of, as I believe it regards his own municipality), that a number of the country's communes have implemented age insurance. And, a number of these communes have asked the state for support in order to keep the Age Pension going. It is very difficult to consider this issue, and which shape it should take, in principle -- which system should be used for age old pension for all Norwegian people. It is in the Odelsting nr 2. suggested that one should give a contribution of 40 kroners per pension. [Byforbundet] has asked for support according to a certain percentage of the actual expences. There is in the [enhanced] social committee suggested a solution which without doubt has a lot going for it, and that is that one should give each municipality a specific amount relative to the number of old people in each municipality. These benefits are assumed to be covered by the invalidity fund returns, and we therefore need to decide on the principle of the old age pension system, before one could decide on whether to use the returns from the fund. (...) by this I mean decide on whether to introduce a non-contributory system or a contributory system" (Stortingstidene 1923, 693-695)

Morell *Chairperson of the social committee, speaker for the majority; high pension share in district (68 percent), speech made in first chamber*

"As I mentioned, when the bill of 1918 [contributory pension] came under consideration, (...) there were on that occasion presented different options to the Storting from, among others, Kristiania city council and the Norwegian Actuary Association about the implementation of a disability and old age pension based on the taxation system [non-contribution]. The fact was that they had been waiting and waiting to get an old-age pension and it almost looked as if it was possible that the Storting could find a system that the Norwegian people could afford to carry. Under these circumstances, various municipalities raised the question of what could be done to facilitate care of the elderly, to introduce a more humane care for the elderly, which the municipalities were interested in taking care of, than the existing poverty relief. Now one should not think that it was only the large and rich municipalities that took up the case - it was the municipality of Storelvdalen that first took up the case in 1914 and it has spread so that there are now over 100 Norwegian municipalities that have completed old-age pensions partly combined with a disability pension. (...) Yet the pension system, due to the economic conditions, cannot be expected to be implemented [currently]. However, it must be acknowledged that the adoption of a law will mean a major step towards the implementation of the largest social reform that has so far been available for resolution in our country. (...) The pension system has been introduced, as I said, in over 100 urban and rural municipalities, and the system is therefore both well-known and tried and tested. As far as I know,

it has aroused satisfaction everywhere and the Norwegian City Association states in a letter of 27 June this year, that social security should be legislated according to this system, which also practical experience speaks in favor of. (Stortingstidene 1923, 711-715)

Morell *Chairperson of the social committee, speaker for the majority; high pension share in district (68 percent), speech made in first chamber*

«I mentioned that a number of municipalities have already implemented an old-age pension, meaning that costs have already been incorporated into the budgets. (..) One must therefore take into account, when asking whether one can put out social security in life, that such a significant amount has already been introduced in the municipalities' budgets. " (Stortingstidene 1923, 776)

Klingenberg: *Conservative MP, Minister of state: medium pension share election district, (50%), first chamber*

“Despite all good will (..), [the reform] has stopped because we have disagreed on principles. It was a bow that we could not pass. (...) But there is another factual aspect, which makes it necessary to get a decision made on the principles. In our country, we have municipal old-age pensions (...) There have been demands, in this House, that a solution should be found so that one could provide these municipal pensions with some help. There is a solution to be found. But if one is to make a move to apply the invalidity fund's returns, one must have a principled inquiry on the main question. (Stortingstidene 1923, 748).

Løvenskiold: *Member of the social committee; high pension share in district, first chamber*

“The pension schemes, which have been initiated by the municipalities, suffer from financial pressure (..) The question of supporting these municipalities has been pushed back because one must first have this law dealt with. Now there could be hope of giving these municipalities help. I would remind all to consider this as we cast our votes” (Stortingstidene 1923, 960).

Nauen: *Conservative MP, low pension share election district (10%), in second chamber*

I want to declare that I will vote for the proposal suggested by Mr. Høgset [postponement] (..) Should it come to an alternate vote between the two systems, I would end up voting for the lesser evil, casting my vote for the contributory system. (Stortingstidene 1923, 262-263)

Skjulestad: *Conservative from low pension share election district (0%), in second chamber*

I want to mark my position on the present case. When I cannot support our minister of social affairs (Klingenberg), I have to say why. At this time, we have the greatest difficulty in limiting spending in both the state and municipal budgets. Our municipal budgets are growing over our heads (..) every time these social reforms are introduced, it is a matter of making new twists and turns on the screw that is the tax rate. How long do you think this can go on? (..) I know that many of the poor and small rural municipalities have the greatest difficulty in managing their expenses with a tax rate of up to 20 percent (..) I cannot go home to my voters and give them a Christmas present like this (..) I will have to vote in favor of a postponement proposal

Sanne *Conservative from low pension share election district (0%), in second chamber*

If you look at the two systems that are proposed here, I will say that the one that appeals to me the most is the contributory-system. (...) I will, however, vote for postponement. The question is for me as for many others: can we afford it? (..) there is little point in wanting to introduce a pension for the elderly, when we impose such a heavy burden on the younger ones that they are unable to pay what is due for these pensions; because that, I think, will be the result. (Stortingstidene 1923, 279-280)

Appendix A18. A selection of Liberal and Farmer MPs statements against non-contributory pension reform

The position of the Farmers was voiced in complete unison by its MPs during the debate, focusing on the need to reduce expenditure through promoting self-help ideology through contributions and limit redistribution between rural and urban municipalities.

Mellbye (*Foreman for the Farmer party and leader Agrarian Society: Hedmark fylke*) justified calling for a postponement (refuse to send the law to the Lagting),

“The non-contribution principle, we believe, will under the current financial conditions entail such expenses for both the state and the municipality that it will be very worrying. I cannot accept that this law be sent to Lagtinget” (Stortingstidende 1923, 958)

Huus: *Previous Liberal party member. Sør-Trøndelag fylke*

“What is the guiding principle for the minority position [contributory pension] (..) is that the individual is to make a deposit for their social security. It is a good thing because it promotes the individual's sense of economics” (Stortingstidende 1923, 745).

“In my opinion, the law is highly unfortunate; first, in principle and secondly, the individual paragraphs that have been passed are highly unfortunate” (Stortingstidende 1923, 745).

[The latter comment was made in reference to the state guarantee to cover 50% of municipality costs, which would mean that subsidies would be targeted to municipalities with higher costs of living, the urban municipalities.]

Høgset: *Member of the Agrarian Society and previous member of the Liberal party, Møre fylke, in the second chamber.*

“From the socialists came the demand for a taxation funded system -- it is their principle and demand everywhere (..) the social committee and the Odelstinget found in 1919 that this principle should be investigated, and we got the national insurance pension committee's recommendation in 1920. And, we have now seen the Conservatives joining the socialist principle. (..) with our failing tax foundations, one must ask oneself: can we muddle through? It is said that there are 80-82 districts and 31 cities that have already introduced municipal old-age retirement, that there are over 1 million people in those municipalities.(..) I do not think that this should be so compelling an argument, because we still have 600 municipalities left in this country, and they will be obliged to implement this law -- we must take some account of them as well. (...) It can not be denied, this system is not help for self-help. (...) I intend to make proposals in accordance with the view of promoting self-help (...) I also reserve the right to propose postponement.” (Stortingstidene 1923, 248-254)

Moseid: *Previous Liberal party member in the second chamber*

“In my opinion, the Odelsting's decision on the old-age pension law is so unsatisfactory in principle and in practice that it should not be elevated to law. (..) My view coincides with that of Høgset, and I can in all matters stand with his opinion.” (Stortingstidene 1923, 248-254)

The position of the **Liberals** was *clearly* in favor of the contributory system, to such an extent that the party would support the Farmers in calling for postponing the non-contribution pension law. Their arguments highlighted the need to restrain public expenditures by encouraging “help to self-help” (selvhjelp), and the investment possibility allowed by a public pension fund. The speaker of the minority (Ofteidal, see below) highlighted the latter as the most important reason for why he supported the contributory pension system.

Ofteidal: *Speaker for the minority, first chamber*

“The point on which I place the main emphasis in favor of the contributory system is the capital accumulation. I have to say, capital accumulation is what I put the main emphasis on. and there I think the opposition between the two systems is clear to the naked eye. One system establishes a significantly improved livelihood for the elderly, it does, indeed. But this happens due to the treasurers' pockets being scooped up and scooped up and scooped up, year after year”” (Stortingstidene 1923, 725)

“I emphasize (...) that the people, through their own contributions, acquire a legal claim to an old-age pension, and I think, from what knowledge I have of the Norwegian popular opinion, that in the end it will weigh exceedingly strongly in the assessment of the new pension system, that “I have paid for it myself”. (...) This is the strength of the contributory system.” (Stortingstidene 1923, 729-730)

Belland, second chamber

There's another thing I also want to mention. A pure tax-funded pension will weaken the sense of responsibility and the duty to help oneself. (...) I therefore argue that the contributory system is preferable, in that the individual person has a duty to set aside a certain annual sum to secure old age for himself and others. (...). I have become confident that the contributory system is the right one, the best, and I believe this will be the judgment of the people.” (Stortingstidene 1923, 275-276)

Appendix A19. A selection of statements by socialist MPs using local pensions to pressure bourgeois MPs to vote for non-contributory pension reform

Sjøli: *first chamber*

“I want to warn against [postponement]. The over hundred municipalities that have introduced this pension in all their fragility, are awaiting a decision now and support in some form or another from the state. One has grown tired of the old poor-law method and wants to achieve something better and do not want postponement.” (Stortingstidene 1923, 705)

Aase: *first chamber*, speaking to the fact that conservative Ameln was out of line with the position of Bergen Municipality (which had introduced pensions) by proposing postponement

“I have the impression of Mr. Ameln (...) doesn't really understand the seriousness and importance of this question which he proposes to have postponed, similarly as I have the impression that he didn't understand the flood of words he experienced at the city council of Bergen. But I would hope that a time may come when Mr Ameln will experience what seriousness lies behind the flood of words sent his way by our party members in the council and the great masses, which under the sound of music marched up to the city council with their demands. It's quite possible that Mr Ameln will soon realize that behind this lies a great deal more than he currently understands.” (Stortingstidene 1923, 705)

Madsen: *first chamber*, responding to Conservative Blakstads declaration that he would vote against the non-contributory scheme.

“If I understood mr. Blakstad correctly, it appeared as though he didn't want any old-age pension, either through contributions or non-contributions. I don't know what mr. Blakstad electoral constituency would say about his opinion. All cities in mr Blakstad constituency have introduced non-contributory pensions, and therefore I think that it would be in mr Blakstad's interest to consider his own electoral constituency and attempt to do anything to help his constituency in keeping their pensions.” (Stortingstidene 1923, 743-744)

“82 rural and 31 urban municipalities have introduced non-contributory pensions, protecting over 1 million residents here in this country. A large part of the population of the country is therefore protected by municipality pensions (..) and we also know that most municipalities would support a non-contributory pension. We see, that even where the Liberals and Farmers are strongly represented and have practical experience [with a pension system], and when they are asked, they tend to support a non-contributory pensions system.” (Stortingstidene 1923, 734)

“The majority [in the social commission] suggests a 70-year retirement age and the socialist fraction suggests 65. This is the retirement age used by most of the municipalities, and the municipalities that have responded to the survey from the state have suggested 65. This not just socialist municipalities, but god old Conservative and Liberal municipalities around the country.” (Stortingstidene 1923, 735)