Fabrizio de Francesco (2013). *Transnational Policy Innovation: The OECD and the Diffusion of Regulatory Impact Analysis.* **Colchester, UK: ECPR Press, 207 pp.**

Katerina Linos (2013). *The Democratic Foundations of Policy Diffusion: How Health, Family and Employment Laws Spread Across Countries.* **Oxford and New York: Oxford University Press, 231 pp.**

Recensiones

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Diffusion is the process by which phenomena such as wars, revolutions, military coups, institutions, constitutions and policy innovations spread across political jurisdictions and levels of government. Diffusion research has exploded in Political Science in the last decades: according to one estimate, in the decade up to 2008, more than 400 articles were published in Political Science journals on diffusion (Graham, Shipan and Volden, 2013: 673). Within diffusion research, policy diffusion has been an area where significant theoretical and methodological advances have been made. This line of research cuts across the subfields of American Politics, Comparative Politics, Public Policy and International Relations, and has allowed for a productive, if still limited, dialogue between the subfields of Political Science, as well as between Political Science, Law and Sociology. The focus of this review is on policy diffusion at the international level.

Research into policy diffusion typically starts by identifying a pattern of rapid diffusion of a particular policy across jurisdictions. The researcher then tests various mechanisms of diffusion that have become fairly standard in the field against the null hypotheses that the adoption of a policy innovation is due entirely to factors internal to the jurisdiction, or to common external shocks. Against these null hypotheses, diffusion researchers seek to demonstrate that policy adoptions in different jurisdictions are interdependent, that is, prior policy adoption in one jurisdiction influences other jurisdictions that have not yet adopted the policy.

Four mechanisms of diffusion have been elaborated in the literature on international policy diffusion. First, a policy may be adopted due to coercion of an external actor such as a hegemonic power or an international organization. Coercion could be direct, as when Britain used force to spread anti-slavery laws in the 19th century (de Nevers,

2007), or more subtle, such as through the use of threat of economic sanctions or the promise of rewards as when the United States and the European Union helped spread anti-money laundering regulations in the developing world (Drezner, 2005). A second mechanism of policy diffusion is competition. Theories of competition-based diffusion suggest that countries may adopt a policy –such as signing bilateral investment treaties– because it is thought to contribute to attracting Foreign Direct Investment (Elkins, Guzman and Simmons, 2006). Third, countries may adopt policies as a result of learning about the policy's benefits from other countries, and international or non-governmental organizations and transnational networks. A fourth mechanism through which policies diffuse is emulation. Emulation suggests that a policy or law is adopted not as a consequence of a rational calculation of its costs and benefits, but out of a desire to increase the country's legitimacy by doing the right thing in a society of states.

Careful theoretical elaboration of diffusion mechanisms and empirical testing of these using innovative data and methods have allowed researchers to make important strides in analyzing international diffusion. However, a number of challenges remain for future research. First, these four mechanisms are usually presented as analytically separate, however, "both conceptually and empirically, it is difficult to draw clear lines separating the operation of one mechanism from another, which can make empirical testing a difficult proposition" (Marsh and Sharman, 2009: 272-3). Distinguishing between emulation and learning for instance, has proven immensely difficult because it requires us to have a great deal of information about policymakers' prior beliefs and how they change as new information about the policy comes in. Much more attention needs to be paid to teasing out and testing the micro-foundations of the different diffusion mechanisms.

Second, more attention needs to be paid to cases of non-diffusion. Research has so far focused on positive cases of diffusion, that is, on those policies that have spread successfully among a set of countries. However, to understand the diffusion process more fully, we also need to analyze when and why a policy fails to diffuse. Paying attention to regions where diffusion fails to take off or is slower than other regions might be a fruitful strategy.

Third, little attention has been paid in the literature to the outcomes of policy diffusion. Some recent research emphasizes that the outcome of diffusion is far from policy convergence because norms and policies that diffuse take on different meanings given the local contexts (Acharya, 2009; Risse, 2015) or are only superficially complied with because they clash with domestic interests or because of a lack of resources (Sharman, 2011; Walter, 2008). Many interesting questions remain about what happens once countries adopt a policy innovation riding on a diffusion wave. For instance, if emulation is the main mechanism of diffusion for a policy innovation, would we observe less rigorous enforcement effort and less institutionalization after adoption? Such questions help us extend existing research by linking diffusion mechanisms to outcomes.

Finally, the literature has disproportionately focused on diffusion among rich industrialized countries or from these to the rest of the world. Recent research shows that norms and policy ideas can emerge and diffuse from developing countries to the rest of the world

(Langer, 2012; Towns, 2012). Focusing on diffusion from developing countries, or from the "bottom-up" (Steinhilper, 2015), would advance our understanding of the role of power –how strong states react to the norms that emerge from the periphery– and the conditions under which it matters in norm diffusion.

The two works under review here, Katerina Linos' *The Democratic Foundations of Policy Diffusion* and Fabrizio de Francesco's *Transnational Policy Innovation* are fine examples of the most recent wave of diffusion research that address some of these challenges. Linos' book on the diffusion of health and family policies across Organization for Economic Cooperation and Development (OECD) countries is impressive in its attention to identifying the domestic agents and the micro-foundations of diffusion, and testing the arguments using multiple sources of data through quantitative analyses and case studies. De Francesco's book on the diffusion of Regulatory Impact Assessment is attentive to teasing out the impact of the OECD as a transnational policy innovator and to the importance of timing in diffusion processes and outcomes.

THE DEMOCRATIC FOUNDATIONS OF POLICY DIFFUSION

Dominant accounts of policy diffusion are frequently silent on the actors involved in spreading policies across countries. When they do analyze actors, researchers emphasize the role of experts in international organizations and transnational networks in formulating solutions to common policy problems. In this dominant account, the input of domestic citizens into policymaking is reduced, and domestic democratic processes are undermined. Katerina Linos challenges this established account by exploring how international diffusion dynamics interact with and reinforce domestic democratic processes. Her argument, in a nutshell, is that politicians use foreign models and international norms to signal to voters that their policy proposals are well-designed and mainstream solutions. Hence, rather than undermining democracy, referencing and imitating foreign models becomes an important informational tool in the democratic policymaking process.

The main actors of diffusion in Linos' book are politicians. Constrained by the need to win elections and garner support for legislation, politicians need to convince voters that their proposed reforms are mainstream, tried-and-tested solutions to policy problems. A credible way to do this is to reference foreign models and norms advocated by international organizations. Linos argues that politicians reference foreign models that are familiar to the voters of that country –countries that are large, rich and culturally proximate– rather than successful models or models from countries that share similar conditions. Politicians also reference models advocated by international organizations, especially when the international organization advocates a single dominant policy model.

Linos explores these theoretical claims in the diffusion of health and family policies in the OECD countries. These two policy areas are hard cases for the impact of foreign models, since there are strong domestic interest groups and significant financial resources involved in the making and reform of these policies. Moreover, the two policy areas, health care and family policies, provide variation in the strength of international norms, with more

diversity among available national models in health policy compared to family policies (especially maternity leaves) where a single international model exists and is strongly advocated by international organizations. The OECD countries are hard cases for the diffusion argument because they have strong democratic traditions, interest groups, and information channels that attenuate the influence of foreign models.

Linos adopts a multi-pronged strategy to test her theoretical claims relying on experimental survey data, cross-sectional analysis of policy reforms in OECD countries over time, and case studies of reforms in a small sample of countries. In order to test her claim that voters are sensitive to references to foreign models and norms advocated by international organizations, she uses public opinion experiments of representative samples of United States (US) citizens. The analysis of experimental survey data shows that those surveyed tend to approve of statements in favor of health and family policy reform when the question was prefaced with an introduction emphasizing "most other Western governments provide health insurance" or the "United Nations recommends that all countries should provide health insurance to all their citizens". Consistent with the proposed theory, voters who lack information, or voters more skeptical of proposed policy reforms (in this case the Republicans) tend to respond more strongly to references to foreign models than other voters. As a next step of this analysis, Linos analyzes the rhetoric used by politicians in congressional debates and electoral campaigns surrounding the most recent reforms in health care and family policies in the US, and finds support for the argument that politicians frequently discuss foreign models, especially models from countries that are large, rich and culturally proximate.

To test her arguments further, Linos uses cross-national data on health and family policy reforms in OECD countries. In health policy, medical associations act as strong interest groups lobbying against reforms that establish National Health Systems (NHS), whereas the beneficiaries of such universal access systems are a diffused group. Additionally, while international organizations such as the World Health Organization recommend all countries to have universal access health care systems, they have not developed and promoted specific templates, that is, no unique model exists in the international system. For these reasons, we would expect foreign models to have limited influence in health care reforms from a traditional diffusion analysis. Linos' empirical analysis covering healthcare reforms in the OECD countries in the post World War II period proves otherwise. Countries are more likely to adopt NHS-type reforms when countries prominently covered in the media and its trade competitors have adopted such reforms, and when evidence of success of such programs is stronger. In family policy, likewise, imitation of countries covered in the news is a strong mechanism of diffusion, whereas competition and learning from success are less prominent.

A small number of case studies presented in Chapters 5 and 7 help illustrate in more detail the proposed diffusion mechanisms. Chapter 5 details the adoption of NHS in the UK, and its diffusion into Spain and Greece. Analyzing politicians' statements in favor and against reforms, Linos shows the importance of references to foreign models, especially in the late adopters –Spain and Greece– of NHS type reforms. Spanish and

Greek politicians repeatedly referenced advanced European countries in debates on reform to signal the credibility of their reform proposals. Chapter 7 discusses reforms in family policies (parental leaves and family subsidies) in Spain and Greece, and finds that reforms of parental leave policies in both countries were strongly influenced by international norms advocated by the International Labor Organization. As expected by the proposed theory, during times of democratic governance, reforms were more influenced by foreign models compared to when the country was under autocratic rule.

The Democratic Foundations of Policy Diffusion is an innovative and impressive work on many counts. Linos turns the conventional wisdom on foreign models and democratic processes on its head. Foreign models, rather than being impositions can actually serve as useful reference points in democratic debates. Moreover, her focus on actors and micro-foundations of diffusion helps differentiate between learning and emulation, a distinction with which the literature has grappled. The breadth and depth of empirical analysis is impressive, as Linos carefully tests the different parts of the argument using experimental survey data, cross-sectional time series data, and case studies.

The book returns, in the concluding chapter, to the key tension between the influence of foreign models and domestic policy processes. While throughout the book Linos makes the argument that the influence of foreign models does not impair democracy, some key challenges to democracy and policy-making remain. When politicians refer to foreign models and international norms in domestic debates, they do so with an eye on the ballot box, that is they use foreign models selectively to convince voters of the merits of their reform proposals. However, given that voters pay attention to particular countries more than others, politicians tend to refer to rich, large and culturally proximate countries. Domestic debates on foreign models do not focus on the most appropriate or most successful models but rather the most "available" (Weyland, 2007) or convincing models. The emphasis on the laws of wealthy countries may be particularly problematic for developing countries, Linos notes, if this leads them to overlook potentially more appropriate models and adopt templates that are not likely to work in their countries (p. 181-2). Diffusion through democratic mechanisms, then, does not necessarily reduce the disproportionate influence of rich and powerful countries on others.

TRANSNATIONAL POLICY INNOVATION

De Francesco's *Transnational Policy Innovation* explores the diffusion of regulatory impact analysis as a policy innovation across developed countries. Regulatory impact assessment (RIA) refers to an administrative tool 'for analysing and communicating regulatory outcomes through a structured report on the predicted advantages and disadvantages of a regulatory proposal' (p. 2). Initially adopted in the United States to enhance the executive's control over the bureaucracy, RIA spread gradually to other Anglo-Saxon countries as well as to continental Europe.

In the book, de Francesco explores the factors that promote the diffusion of the policy, relying on a three-level analysis that incorporates domestic factors, international interdependence

as well as transnational influences. His argument is that the OECD has played an important role in diffusion, in particular through its mediative function, that is, by facilitating the construction of policy discussion among experts on the best policy solutions, which involves packaging, editing and disseminating policy innovations (p. 32-34).

De Francesco's analysis is novel in two respects. First, de Francesco takes the timing of adoption seriously, differentiating between pioneers, early adopters, laggards among the countries that have adopted that have adopted RIA. This pattern in the timing of adoption not only helps analyze the factors that influence diffusion, but also has implications for the aftermath of policy adoption. And that brings us to the second novelty of de Francesco's analysis, that he goes beyond the focus on policy adoption typical in the diffusion literature and analyzes the aftermath of adoption, that is, policy implementation and evaluation.

In explaining the adoption of RIA in Chapter 5, de Francesco tests the role of the OECD in competition with factors at the domestic and international levels. Domestically, he finds that a certain level of regulatory capacity –evident in administrative laws previously adopted– is crucial. Having previously adopted Freedom of Information laws, for instance, is a good indicator of a country's likelihood of adoption. Moreover, RIA is more likely to be adopted in countries with higher government consumption, where RIA is seen as a tool to reduce the size of the state's administrative organ. Among the international factors, de Francesco finds no evidence that the influence of the United States or of international economic integration plays a role in adoption decisions. Spatial interdependence between countries is a significant predictor, but once the role of the OECD is taken into account, its significance drops. The OECD's mediative effect is significant in influencing diffusion: the longer a country has participated in networks of policy-makers created by the OECD and the EU, the higher the likelihood of adoption. The OECD's inquisitive function, that is monitoring policy choices and outcomes through its peer review reports on individual countries, does not influence the likelihood of adoption of RIA.

De Francesco then turns to the aftermath of policy adoption. In Chapter 6, he empirically explores the factors that influence policy implementation. He creates an index measuring *de jure* strength of implementation, and tests the influence of domestic, international and transnational factors on this index. He finds that pioneers and early adopters of a policy tend to have higher implementation scores. The laggards tend to do better only on the legal dimension of implementation, suggesting that they adopt RIA mostly for symbolic reasons. In contrast with policy adoption, the influence of the OECD on implementation scores is only marginal. This is followed in Chapter 7 with an analysis of the factors influencing whether a country adopts measures to evaluate the impact and effectiveness of RIA. He finds that only a third of governments that adopted RIA have gone on to institutionalize evaluation mechanisms, which again suggests that many countries have adopted RIA for symbolic reasons. Moreover, de Francesco finds that the OECD has had no impact on evaluation mechanisms, and that in general there has been very weak diffusion across countries of successful evaluation mechanisms.

The overall conclusion of the book is that transnational networks have played significant roles in policy diffusion, by reducing the complexity of policy reform ideas and framing/labeling the policy innovation in a certain way to make it more compatible with diverse administrative traditions. In contrast with the adoption phase, transnational networks have only marginal influence in the implementation of adopted policies and their institutionalization. These findings suggest that while policy adoption might be strongly influenced by transnational factors, policy implementation and institutionalization still depend mostly on domestic factors. Linking adoption timing to outcomes, de Francesco shows that later adopters are more likely to be symbolic adopters, and tend to lag behind in terms of implementation and institutionalization. This is an important finding, because it shows that policy diffusion will not necessarily result in policy convergence.

Transnational Policy Innovation provides fresh perspectives into the diffusion literature in that the analysis pays attention to the characteristics of the policy innovation that diffuses, to the timing of adoption, and the outcomes of diffusion. It provides a multi-level theoretical framework to analyze the impact of transnational networks such as those facilitated by the OECD. The empirical findings only partially support the book's opening argument about the impact of transnational networks such as the OECD, and therefore invite some caution in making grand claims about its influence as a policy innovator. Moreover, unlike Linos's multi-method strategy, de Francesco relies mostly on quantitative data analysis in exploring the factors that influence policy diffusion and implementation, and therefore, the book's claims about diffusion mechanisms are not explored with the same depth as in Linos' book.

CONCLUSION

Two common conclusions with respect to international policy diffusion can be drawn from the books under review here, even if the policy innovations and the mechanisms that they focus on are distinct. The first concerns the role of international organizations and transnational networks. Both authors find that when these actors propose a single, dominant model, their influence on diffusion tends to be stronger. To the extent that international organizations can suggest clear, simple, dominant policy models, their influence over policy adoption will be greater. This may be a good thing, if the dominant international model reflects a strong normative consensus, but it may be dangerous if international organizations deliberately try to simplify or create one-size-fits-all policies to convince policymakers.

A second common conclusion from the diffusion of health, family and RIA policies among the OECD countries is that the policies adopted as a result of international diffusion are not necessarily policies that are most appropriate for the country. Symbolic adoption, or adoption of models that are convincing to voters means that meaningful learning does not take place very frequently internationally. Countries, especially laggards in diffusion, may end up adopting policies that are poorly suited to their domestic conditions out of concerns for legitimacy (in the case of de Francesco)

or for domestic electoral reasons (Linos). This might be particularly problematic for developing countries which most of the time adopt policies –for various reasons– that diffuse from the core developed countries.

This brings us to a common concern about the scope of analysis of the two books. Both books focus on policy diffusion among OECD countries. They have good reasons to limit their focus to this set of countries, however, in doing so they follow the tendency of the existing diffusion literature in focusing disproportionately on rich industrialized countries. Linos briefly discusses a concern about the implications of her argument for developing countries, but a more extended discussion of the applicability of her model of democratic diffusion and its implications for developing countries would have been insightful. How does the model function in non-democratic settings, or in much poorer countries? Does international diffusion in such settings strengthen or undermine democracy? De Francesco does not discuss a possible extension of his argument to developing countries, which are typically not members of the OECD. It would have been interesting to see if the OECD's influence extends to non-members, or whether other transnational networks or international organizations fulfill a similar function for developing countries.

The two books under review here address some of the gaps and challenges remaining in the diffusion literature, which has flourished in the last decades. They pay attention to actors and micro-foundations (Linos), to timing and sequencing in policy diffusion (de Francesco), and they analyze the post-adoption phase of policies (de Francesco). Overall, the two books bring fresh and sophisticated analyses into the literature on policy diffusion, and to the particular policy areas on which they focus.

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