

# THE DEMOCRATIC FOUNDATIONS OF POLICY DIFFUSION

How Health, Family and Employment  
Laws Spread Across Countries



KATERINA LINOS

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*To my parents,  
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# Introduction

## Theoretical Claims

From environmental regulations to fundamental human rights, from market liberalization efforts to pension and health reforms, states imitate laws developed by other states or championed by international organizations. Diverse laws spread quickly within regions and around the globe, reaching the most remote corners of the world. This much is known and is well documented in large literatures in law, sociology, political science, and beyond.<sup>1</sup>

But why do international models wield so much influence? And who decides whether to borrow laws from abroad? Much prior work is silent on these questions and pays no attention to the actors involved in spreading laws across countries. Scholars who do offer an answer focus on networks of policy elites—international organizations and informal networks of sophisticated experts who formulate policy proposals that incorporate orthodox solutions to shared problems. Their narrative goes as follows: central bankers, police chiefs, environmental regulators, and judges meet regularly with their foreign colleagues. They devise common policy recommendations and build long-term relationships with their foreign counterparts. Socialized into international networks, key decision-makers become accountable largely to each other. They develop reputations for carrying out the promised reforms in the face of domestic opposition and draw strength from their foreign colleagues to resist pressures from domestic constituencies.<sup>2</sup> Globetrotting economists and other experts are sent by the World Bank and the International Monetary Fund (IMF) to the world's parochial backwaters to spread these orthodox ideas.<sup>3</sup> In short, the dominant account is a story of diffusion through technocracy.

In this dominant account, ordinary citizens provide no real input; their interests, concerns, and objections get scant attention. Policy diffusion “unfolds largely inside the bureaucratic agencies of the state and is not driven in any direct way by electoral incentives and calculations.”<sup>4</sup> Poor, small, developing countries face the greatest pressures to conform. But even superpowers

like the United States are not immune, as “globalized elite bourgeois values” are imposed on ordinary Americans.<sup>5</sup> According to these traditional accounts, international norms and domestic democracy are in tension.

This conventional story is not only normatively troubling, it is also inconsistent with large literatures that explain how domestic policies are formulated. Under these domestic policy accounts, elected leaders pay great attention to what ordinary citizens and domestic interest groups want in order to maintain their popularity and win reelection.<sup>6</sup> From the domestic perspective, it seems unlikely that elected leaders would follow their foreign colleagues or international organizations on a broad range of issues if this hurt them at the ballot box.

This book asserts that, contrary to the conventional wisdom, international norms and democracy are mutually reinforcing. I argue that policies spread across countries not only because of the backing of technocrats, but also because of the support of ordinary voters. Technocrats still play a critical role in canvassing diverse ideas, bringing proposals to leaders’ attention, and developing policy details. But elections and other democratic processes are an engine, not an obstacle, for the spread of policies across countries and can provide critical domestic legitimacy for these policies.

My theory is built on the intuition that foreign governments’ policies and international organization proposals can serve as benchmarks against which voters can judge their government and its laws. Voters often worry that politicians are not competent and propose poorly thought-out laws that are unlikely to succeed. Voters also worry that politicians design laws in ways that enrich special interest groups and cater to fringe ideologues. Information that foreign governments have adopted similar laws can help politicians signal that their decisions are competent and mainstream. Foreign models have two distinct advantages as compared with endorsements from domestic groups, such as industry associations, unions, think tanks, and academics. First, because it is costly to adopt a law, foreign governments can send especially strong signals that they expect a proposal to succeed.<sup>7</sup> Second, foreign governments are outsiders; they don’t stand to benefit directly from election results or policy choices in a neighboring state. When many foreign countries make the same policy choice, and when an international organization articulates this consensus and promotes it as the dominant international model, the influence of foreign models is at its peak.

There exist additional mechanisms through which voters could influence the diffusion of laws. For example, voters could collect information about policy models in neighboring countries and build bottom-up coalitions to pressure politicians for similar reforms. This is not the mechanism I propose, because voters are typically less invested in the policymaking process than are

politicians. In my theory, politicians are the active (but constrained) agents. Politicians decide whether or not to introduce a law, and how to frame it in ways that will appeal to voters. Politicians end up imitating laws from countries familiar to voters disproportionately, because this allows politicians to present their proposals as competently designed and mainstream. My theory does not require voters to know much about other countries' policy choices—it only requires voters to have some general impressions about a few proximate countries heavily covered in the media. Chapter 2 spells out exactly how this theory works.

Diffusion through democracy produces different results from diffusion through technocracy; different international models are likely to resonate with these two groups. For theoretical clarity, I contrast these two mechanisms sharply in the paragraphs that follow. As I outline below, in some circumstances, we might also observe hybrid types, and see diffusion through democracy and diffusion through technocracy operate side-by-side.

Technocrats can collect detailed information from many sources, including diverse countries and international organizations. They can investigate not only whether a foreign country adopted a policy, but also whether this policy succeeded or failed abroad. If the policy succeeded abroad, technocrats can study whether it will transplant smoothly into their home country, or whether the two contexts are too different for successful transplantation. In short, technocrats can accumulate information and design a policy that closely fits their goals. What is not clear, however, is whether technocrats will use this information to serve the goals of the public at large, or whether they will select a policy that serves their professional interests narrowly defined, a policy that suits their future employers, or one that pleases their international peers.

Voters are very different from technocrats; they seek policies consistent with their interests and values, but do so with little information, and limited patience for further research. Voters rely heavily on the media for information. Large, rich and culturally proximate foreign countries receive extensive and favorable media coverage; the rest of the world remains invisible to voters. It is these countries that resonate positively with voters, and it is these countries that politicians reference to secure voter support.

Many studies of policy diffusion emphasize learning from policy success or failure; they argue that a foreign country's experience with a policy after this policy's adoption determines whether the policy spreads. For example, some argue that hospital financing reforms associated with reduced health expenditures are particularly likely to diffuse widely.<sup>8</sup> Experts can in fact review policies from very diverse sources and select the most successful ones, even if they come from distant and unfamiliar countries. I argue instead that, from the voters' perspective, discussions about a policy's success or failure abroad

may be as confusing and partisan as debates about its likely domestic effects. As politicians from opposite camps fight over the policy's benefits, costs, and overall effectiveness in a foreign country, they muddy the waters for voters.

Instead, I argue that, even though voters remain unclear about a policy's success or failure abroad, they can place confidence in the fact that this policy was adopted by rich, proximate, and familiar countries. Many sociologists and constructivists call this diffusion pathway emulation, and document that it occurs often.<sup>9</sup> This book develops micro-level foundations for these patterns of policy emulation, and explains why the policy choices of large, rich, and proximate countries receive great weight in national policymaking, even when the success of these policies is in doubt. This is because politicians can signal the policy's desirability to voters by highlighting earlier adoptions by high-status actors. Conversely, it is hard to get voters to pay attention to the choices of distant or unfamiliar countries, and to find these convincing, even when technocrats believe that models from these countries are most successful.

The electoral power of simple, verifiable information that is easy to convey and hard to contest makes models that have already been widely adopted particularly influential. If many familiar countries have made the same policy choice, and better yet, an international organization has promoted this policy as the international standard, an incumbent who borrows this policy will send a strong signal of competence and mainstream values. If, instead, familiar countries are evenly divided, with some adopting one model and others a competing model, politicians should expect their choice to be contested, and should enjoy smaller electoral advantages from imitation. Note that under diffusion through technocracy, the opposite pattern should hold: technocrats cannot draw useful inferences about what works and what doesn't if all foreign countries have made the same choice; diversity is useful for social scientific inquiry.

~ The appeal of clear information that is easy to transmit also gives great power to international organizations. International lawyers have long wondered why nonbinding recommendations, declarations, and other international organization proposals are influential.<sup>10</sup> I argue that politicians are inclined to adopt these recommendations domestically to gain electoral advantages by clearly signaling their competence and mainstream values. Table 1.1 summarizes some of the key distinctions between technocracy and democracy as channels of policy diffusion.

As Table 1.1 outlines, diffusion through technocratic elites differs in key ways from diffusion through democratic channels. First, the two accounts differ on who responds to information from abroad. In diffusion through technocracy, voters are, at best, indifferent to international models; only elites are receptive. In diffusion through democracy, voters welcome foreign models,



Table 1.1 Channels of Policy Diffusion

	<i>Diffusion through technocracy</i>	<i>Diffusion through democracy</i>
Voter and elite response	Voters are indifferent or hostile to foreign models; only elites respond positively	Voters are receptive to foreign models and use them to benchmark elites
Countries considered	Diverse countries canvassed	Large, rich, and culturally proximate countries resonate
Influential features	Results matter	Adoption matters
Dominant arguments	Learning from policy success	Emulation
Ideal setting	Diverse models allow experimentation	Single global model sends a clear signal

and use these models to benchmark government performance. Second, the two accounts differ on which foreign models matter. While technocrats are free to consider reforms from around the world, elected politicians focus on a few large, rich, and culturally proximate countries that they can use to appeal to voters. Third, the features of foreign models that are most influential differ. Whereas technocrats can examine policy details, and study policy success and failure abroad, politicians focus on simple facts that are easy to convey and hard to contest, such as the widespread adoption of a particular policy. Fourth, the arguments about foreign models differ. For appeals to experts, arguments about policy consequences work best. For appeals to voters, simpler emulation arguments work better, arguments of the type “everyone else does X and so should we.” As a result of these features, the ideal setting for diffusion through technocracy is a policy area where significant cross-national variation exists, as this allows for experimentation and hypothesis testing. In contrast, diffusion through democracy is most powerful when there exists a dominant international model. Chapter 2 develops these theoretical claims further, and explains the conditions under which we would expect to observe diffusion through democracy, diffusion through technocracy, and combinations of these two mechanisms.

## Empirical Analysis

This book’s empirical analysis turns to cases that are unlikely to confirm the proposed theoretical claims. “Least-likely” cases provide strong “support for