Policy Studies

Policy diffusion and policy transfer

David Marsh [a] & J.C. Sharman [b]

[a] Research School of Social Sciences, Australian National
University, Australia

[b] Centre for Governance and Public Policy at Griffiths University,
Brisbane, Australia
Published online: 15 Jul 2009.

PLEASE SCROLL DOWN FOR ARTICLE

Routledge
Taylor & Francis Group

RESEARCH ARTICLE

Policy diffusion and policy transfer

David Marsh[a]* and J.C. Sharman[b]

[a]Research School of Social Sciences, Australian National University, Australia; [b]Centre for Governance and Public Policy at Griffith University, Brisbane, Australia

This article argues that the literatures on policy transfer and policy diffusion are complimentary, but need to focus more clearly on five key issues drawing insights from both literatures. First, work in each area can benefit from a greater focus on the changing interactions between the various mechanisms involved in diffusion/ transfer. Second, the diffusion literature privileges structure, while the transfer literature privileges agency, but we need an approach which recognizes the dialectical relationship between the two. Third, the diffusion literature concentrates on pattern-finding, while the transfer literature examines process-tracing, but any full explanation of transfer/diffusion needs to do both. Fourth, both literatures suffer from skewed case selection with, in particular, too little attention paid to developing countries. Finally, while both literatures need to be interested in whether diffusion/transfer is likely to be successful/unsuccessful, neither considers any criteria that might be used to establish policy success and failure.

Keywords: case study research; lesson-drawing; policy diffusion; policy failure; policy success; policy transfer; structure and agency

Introduction

Scholars studying the spread of common policy trends across very different policy environments are faced with an embarrassment of riches when it comes to theories, concepts and mechanisms. Indeed, it is the terminological and conceptual diversity among scholars studying similar processes that strikes the casual observer. International relations, public policy, comparative politics, sociology and other fields have each been increasingly drawn to processes and outcomes variously labelled as policy transfer, policy diffusion, policy convergence, institutional isomorphism or any one of a number of other cognate terms. In this context, it is perhaps unsurprising that some authors have seen the lack of uniformity as a serious obstacle to extending our knowledge of diffusion and transfer, and in response have called for a process of standardization (James and Lodge 2003, p. 190, Holzinger and Knill 2005, pp. 775–776, Knill 2005, p. 764, Braun and Gilardi 2006, p. 298). However, in our view this will not be easy and, to date, there have been few, if any, attempts to combine the various literatures into an integrated approach (for partial exceptions, in the public policy literature see Evans and Davies 1999, Newmark 2002; in the international relations literature see Braun and Gilardi 2006). However, rather than seeking to effect any grand synthesis, our aim is to identify common challenges and potential

---

cross-fertilizations. We explore the diffusion literature from international relations and the transfer literature from public policy in order to identify how the study of diffusion/transfer (which is clearly an important, and probably growing, phenomenon) might usefully be developed.

More specifically, we shall suggest:

- Following Meseguer and Gilardi (2006), that both literatures need to pay greater attention to the mechanisms involved in diffusion and transfer, the interactions between them and how they evolve over time, rather than simply treating them as either individually sufficient or jointly additive and as exerting a homogenous influence across time and space.
- Work on diffusion tends to emphasize structure while those writing on transfer tend to privilege agency. We need to recognize that the relationship between structure and agency is dialectical, that is interactive and iterative. Any explanation of transfer/diffusion needs to acknowledge this and examine how they interact to produce outcomes.
- In terms of method, the diffusion literature from international relations uses quantitative techniques to analyze a large number of cases to produce generalizations about the reasons for, and the results of, the process. In contrast, the public policy transfer literature uses qualitative analysis of a limited number of cases. As such, the literature raises the crucial question inevitable in any discussion of comparative methodologies or the relative advantages of quantitative and qualitative analysis. Large-N comparative studies allow generalizations, but many would argue that they don't permit sufficient consideration of the cultural differences, etc. among cases. In contrast, small-N studies allow a more nuanced analysis, but the results are not generalizable. We argue that there is potential for intellectual exchange between the work on diffusion and transfer to ameliorate, if not completely resolve, this tension.
- Both literatures, but especially that on policy transfer, should broaden the scope of their case selection. We need greater focus on both different regional patterns of diffusion and negative cases and, above all, a move away from an excessive preoccupation with Western countries. Only then can the extent of diffusion/transfer, and the dynamics underpinning it, be more fully explored.
- Greater attention needs to paid by both literatures to the question of the criteria used for establishing whether a policy is successful or not, given that a key question in both literatures, although particularly in the transfer literature, concerns the effectiveness (or otherwise) of the policy transferred/diffused.

Before examining each of these points in more detail, it is important to consider definitions of policy transfer and diffusion (and cognate concepts), and how they are related. The most quoted definition of policy transfer is by Dolowitz and Marsh (2000, p. 5) who see it as a process by which: 'knowledge about policies, administrative arrangements, institutions and ideas in one political setting (past or present) is used in development of policies, administrative arrangements, institutions and ideas in another political setting'. A common minimalist definition of diffusion views it as a process through which policy choices in one country affect those made in a second country (Simmons and Elkins 2004, p. 171, Braun and Gilardi 2006,

p. 299, Simmons *et al*. 2006, p. 781). Of course, under this definition, if a country sought to differentiate deliberately itself from its peers by adopting policies bearing as little resemblance as possible to those of any other country, this would involve diffusion, but it would bear little relationship to what those researching the topic clearly have in mind: a process of interdependent policy convergence.[1] Policy convergence itself involves a process in which policies in two or more countries becoming more alike over time (Knill 2005, p. 766). Of course, logically, this could be a product of entirely unrelated domestic factors, but, once again, the authors who employ the concept are typically interested in the process by which policies converge because of mechanisms operating at the international level. As far as the relationship between the concepts is concerned, some scholars argue that policy transfer is a type of diffusion (Newmark 2002), while others see diffusion as a type of policy transfer (Busch and Jorgens 2005) and Stone sees both as types of lesson-drawing (2001, p. 7 footnote 3). We are not over-concerned with classificatory schemes; rather our main point here is that it is clear that these literatures share an overlapping conceptual core and a complementary interest in a related class of empirical phenomena.

Mechanisms

As far as explaining diffusion/transfer is concerned, the two literatures, despite their different methodological approaches, generally identify four major mechanisms, learning, competition, coercion and mimicry, although these mechanisms receive differing degrees of attention in the diffusion and transfer literatures. For example, learning is the main mechanism identified in the transfer literature, while other mechanisms receive more attention in the diffusion literature.

Learning

In most transfer literature, learning implies a 'rational' decision by governments to emulate foreign institutions and practice to the extent that these measures produce more efficient and effective policy outcomes than the alternatives (Rose 1991). Learning can lead to complete or partial policy transfer and may take place on a strictly bilateral basis, or through transnational problem solving in international policy networks or epistemic communities. Of course, the assumption of rationality can be relaxed by employing a conception of bounded rationality. In this vein, Weyland in particular has emphasized the importance of bounded rationality and cognitive heuristics in learning (2004, 2005), which may lead to patterns of diffusion distinct from fully rational learning.

Competition

The idea of a 'race to the bottom' driven by international competition, whereby environmental, fiscal or labour standards convergence on a common low base, is a staple trope of much of the literature on globalization and policy diffusion (despite a conspicuous lack of supporting evidence, see Braithwaite and Drahos 2000, Drezner 2001). The argument is that the growing importance and mobility of capital explains why more and more countries have come to adopt broadly similar investor-friendly policies, including privatization, deregulation, balanced budgets, low inflation and

strong property rights. In this view, differences between states disappear as footloose capital flows towards those states offering greatest returns and away from less favourable environments. In a related argument, it is suggested that governments need to ensure their exports remain competitive in the global market place by keeping pace with rivals' domestic economic policies.

Coercion

Most scholars are keen to allow some room for various forms of coercion as an explanation of growing similarities among different countries institutions and policies. Such coercion may come from powerful states, or from international organizations like the IMF and World Bank via the conditions attached to their lending. In practice, however, very few studies see coercion as a leading mechanism (for an important exception see Drezner 2001, 2005), although this may result from a pronounced case selection bias. Coercion is most likely to be important in explaining diffusion and transfer in the developing world, but a large majority of the empirical work in this field ignores counties outside the OECD, an issue examined in more detail below.

Mimicry

Mimicry, also known as emulation or socialization, explains the process of copying foreign models in terms of symbolic or normative factors, rather than a technical or rational concern with functional efficiency. States adopt the practices and institutional forms of social leaders (either states perceived to be more advanced or models provided by international organizations) and thereby are perceived by others and themselves as being advanced, progressive and morally praiseworthy. For the sociologists who introduced this concept, mimicry is driven by the deep, intertwined, structural forces of modernization and rationalization (DiMaggio and Powell 1991). Modernity is understood as: 'the organization of society and the nation-state around universalized notions of progress and justice, as built up of rationalized organizations and associations, and as composed of autonomous, rational and purposive individual citizens' (Strang and Meyer 1993, p. 501, see also Boli and Thomas 1999). Emulation in this way may be a deliberate ploy by governments to acquire legitimacy. As such, a government may know full well that the policy in question is technically ineffective but, nevertheless, place a greater value on the social pay-offs among domestic and foreign audiences. Another variant of this argument would see automatic, unreflective, copying as the result of deeply embedded shared conceptions of appropriate behaviour.

The interaction between mechanisms

Of course, although these mechanisms have been presented here as analytically separate and distinct from one another, this neat division is rather contrived. So we might ask: How bounded does rationality have to be before learning becomes unreflective mimicry? If poor countries find themselves under pressure to adopt costly and dysfunctional intellectual property rights laws to gain access to foreign markets, is this competition or coercion at work? 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.

Nevertheless, the key point is that it is often assumed that these mechanisms are individually sufficient or work in an additive way, despite much work in political science and sociology pointing out the limitations of such presumptions and emphasizing the importance of being aware of causal complexity (Ragin 1987, Elster 1999, Brady and Collier 2004). Different causal pathways may lead to the same result (multiple causation), small chance events may cause major changes (non-linear causation), and individual mechanisms may only produce changes when engaged in tandem with others (conjunctural causation). As an example, some countries may grant central banks independence to tame an inflationary crisis, while others may merely be following the dictate of the IMF.

In this vein, some authors speak of a 'tipping point' or 'threshold' (Finnemore and Sikkink 1998, Holzinger and Knill 2005, Braun and Gilardi 2006) when the decision of one or a few countries to join a group of policy pioneers precipitates a generalized rush to emulate. Perhaps the adoption of an epistemic community's favoured policy solution is more likely if there is a conspicuous policy failure or scandal in the adopting country. As such, 'Galton's Problem', which refers to the erroneous presumption that national policy choices are independent when they may be auto-correlated, always needs to be born in mind in the study of diffusion. Francis Galton criticized a late nineteenth-century study of the institution of marriage in 350 cultures which claimed that there were common patterns which showed that different cultures independently go through a common sequence of development. He pointed out that the similarities observed could have been the result of cross-cultural borrowing, rather than being independent developments (Jahn 2006, see also Most and Starr 1990).

Many of the large statistical investigations of diffusion cannot cope with these kinds of complications. One solution would be for diffusion scholars to undertake some detailed case studies, based on fieldwork and interviews, in order to tease out the relative impact of policy learning, norms, economic competition and so on. However, the need to combine what below we term process-tracing and pattern-finding research cuts both ways; public policy scholars could also begin to employ statistical techniques like event history, logit and probit tests to produce more generalizable conclusions about the relative importance of, and the interaction between, mechanisms.

A separate, but related, problem concerns the assumption that given mechanisms generate a uniform impact across different stages of the diffusion process, that is on initiators and on those joining the 'bandwagon' much later on, although some mechanisms are premised on the view that different motivations operate at successive stages of the diffusion process. As an example, in writing on the spread of female suffrage Finnemore and Sikkink (1998) hold that early adaptors give women the vote thanks largely to the efforts of domestic social movements and protest campaigns. However, by the time late adaptors legislated universal suffrage it had become an almost unquestioned norm, a taken-for-granted international standard (see also Collier and Messick 1975).

A more formal rendering of this kind of dynamic is provided by Granovetter's threshold model (1978), which some have sought to apply to diffusion processes (Braun and Gilardi 2006). Granovetter's idea, developed to explain patterns of

collective action, is that different people have different thresholds that must be reached before they will engage in collective action. So, some people are happy to initiate a demonstration, others will join as long as someone else has made the first move, while some will hang back until almost everybody else is participating. According to this logic, depending on the distribution of these thresholds among individuals, tiny demonstrations may rapidly balloon into huge protests, as in East Germany in 1989 (Lohmann 1994). Moving to the idea of states emulating each other, some governments may wish to stake their claim as innovators, others may wait and see, while still some may only be reluctantly shifted from the status quo once all the other dominoes have fallen.

Not only do different individuals have different thresholds before emulating their peers, but these individuals may also be sensitive to the effects of different mechanisms simultaneously or sequentially at work (e.g. some to learning, some to mimicry). Of course, it is very difficult to present a detailed model able to cope with national variations which is consistent with the uneven progress of transfers and could establish the distribution of thresholds in a given population before a given bandwagon has run its course (Strang and Soule 1998). As such, this kind of cascade model may be useful for *post hoc* explanations, but also hard to falsify for the same reason. While this approach can accommodate a wide variety of mechanisms and the interactions between them, the result will not appeal to those with a preference for parsimony.

Structure and agency

In our view, the diffusion literature tends to emphasize structural explanation, while, in contrast, the transfer literature places more emphasis on agency. Of course, many diffusion scholars reject the accusation made by Dolowitz and Marsh in their first article (1996, pp. 334–335) that diffusion is a process without agents. As just one example, Lee and Strang argue (2006, p. 888):

> Policy diffusion we should note, does not imply a world without agency. In both of the cases outlined above [public sector downsizing in Australia and Korea] key actors – most notably Australia's Prime Minister Bob Hawke and Korea's President Young-Sam Kim – allied themselves with foreign exemplars to achieve their policy goals.

Indeed, Newmark argues (2002, p. 164): 'Both literatures identify the importance of agents'. This seems to us to be a difficult position to defend. The only focus on the role of agents in the diffusion literature is in the limited process-tracing work and this is clear in Lee and Strang's article (2006). They have two pages on the role of agency in diffusion in which they review two case studies utilizing a process-tracing approach. However, this is little more than an aside in a piece which focuses on a statistical analysis of the role of structural factors like trade partnership, capital city proximity, geographical proximity, trade with the United States, previous economic outcomes, etc. Indeed, given the methodology adopted, it is difficult to provide any indicators of agency effect and impossible to take account of the meanings agents, whether leaders or electors, attach to these structural variables.

The transfer literature does acknowledge the importance of structures. So, for example, Dolowitz and Marsh (2000) highlight the role of structures of government, international economic and political pressures and the media, etc. Nevertheless,

because their main focus, and indeed their entire empirical focus, is on voluntary transfer or learning, there is a clear privileging of agency, a focus upon who was involved in transfer, how and why. Thus, at best, they take an additive approach to the structure/agency problem, in which the outcome is influenced by both structure and agents, but the relationship between the two is not theorized.

The problem with both of these literatures is that they have an unsophisticated approach to the structure/agency problem. The one honourable exception is Evans and Davies (1999), who develop what they term a multi-level approach to policy transfer in which they adopt a dialectical approach, rooted in Giddens' structuration theory. Certainly, the best modern literature on structure and agency treats the relationship as dialectical; that is interactive and iterative. Structures provide the context within which agents act and they constrain or facilitate the agents' actions. However, agents interpret those structures and, in acting, change them. These new structures then provide the context within which agents act, and the process starts another cycle. This is not the place for a detailed consideration of the structure/agency literature (for good reviews see Hay 2001, McAnulla 2002). Inevitably, given its origins in Giddens' work, Evans and Davies' (1999) approach suffers from one of the problems that is regularly identified with structuration theory, that it doesn't allow one to study the interaction between structure and agency because, methodologically, either structure or agency, and usually the former, is held constant (see Hay 2001, McAnulla 2002). The key point here is that, when considering transfer, agents are faced with a structural context which may privilege certain decisions. However, they interpret that structural context and in acting change it. This has clear methodological significance: for example, one cannot study an iterative process without a temporal dimension, so any analysis should trace the evolution of policy over time. Given the limitations of structuration it seems to us that Archer's morphogenetic approach (see McAnulla 2002 for a clear exposition and defence of morphogenesis) is a more likely candidate if we want to examine the interaction between structure and agency over time (see Legrand 2007 which offers a way of approaching policy transfer from a morphogenetic perspective underpinned by critical realism).

Methodology and approach

Quantitative vs. qualitative methods?

There is a clear difference between most of the writers in the transfer and the diffusion literatures in terms of their methodologies and, consequently, ambitions (a similar point is developed by Newmark 2002). The transfer literature employs small-N qualitative case studies focusing on a detailed analysis of the transfer of a policy, or perhaps a series of related policies, between two, or sometimes more, countries. At the same time, its ambitions have been guarded. In contrast, the diffusion literature mainly uses large-N studies and aims to produce generalizable statements about both the causes and consequences of the diffusion process.

The thrust of the transfer literature is clear if we consider the two contributions by Dolowitz and Marsh (1996, 2000), and the heuristic framework that they developed, which is widely used in empirical studies of policy transfer. Initially, Dolowitz and Marsh (1996) suggested a series of questions that might be addressed

when studying transfer: Who transfers policy? Why engage in policy transfer? What is transferred? Are there different degrees of transfer? From where are lessons drawn? What factors constrain policy transfer? In each case, they suggest a number of putative answers to the particular question. In their later article (Dolowitz and Marsh 2000), another question is added: How is the process of policy transfer related to policy 'success' or 'failure'? In addition, the questions are transposed into a conceptual framework, to produce a model (Dolowitz and Marsh 2000, p. 9, Table 1). The key point however, is that, even in this later formulation, Dolowitz and Marsh's claims for their model are modest. The model is presented as primarily: 'a heuristic devise that allows us to think more systematically about the processes involved' (Dolowitz and Marsh 2000, p. 14). In effect, it offers a series of questions that researchers can use to frame their empirical work; indeed, this is what has happened as there are a number of empirical studies which, sometimes critically, use all or elements of this model to organize the research (for example, Jacoby 2000, Jones and Newburn 2002, Lamour 2002).

This does not mean that Dolowitz and Marsh, or other researchers into policy transfer, are not interested in explanation (2000, p. 8). In fact, one of their main concerns in their second article is to examine the relationship between policy transfer and policy success/failure and they suggest that transfer is likely to be unsuccessful if it is uniformed, incomplete or inappropriate. The details need not concern us here, rather the key point is that Dolowitz and Marsh claim (2000, p. 21), with a number of subsequent caveats that: 'the research presented here supports the position that policy transfer is a useful explanatory variable'. There is an important issue here, because Dolowitz and Marsh, in common with all the transfer literature, consider a very limited number of cases (in this article the transfer of welfare to work policy and the Child Support Agency from the US to the UK). As a result, any claims they make about the general explanatory power of transfer need to be very circumspect.

In contrast, the diffusion literature is more ambitious. After briefly reviewing the diffusion literature, Lee and Strang (2006) introduce an interesting distinction between process-tracing and pattern-finding strategies. They argue (p. 886) that:

> Process tracing research follows the spread of a policy or practice from one location to another. The approach permits inspection of the role played by external models, and inquiry into why and how a concrete instance of learning or mimicry occurs. By contrast, pattern finding research tests a priori hypotheses about diffusion channels (. . .) this strategy asks whether structures of covariance and temporal ordering are generally consistent with a theoretically specified model of influence.

This distinction is useful, but seems difficult to apply to the diffusion literature, given that it is almost exclusively pattern finding. Weyland's (2005) effort to draw lessons for theorizing policy diffusion from an analysis of Latin American pension reform is a notable exception (see also the case studies reported in Lee and Strang 2006, pp. 886–889), but most diffusion research aims to 'find patterns' and establish generalizable statements about either what causes diffusion or what diffusion causes on the basis of aggregate data. This is clear if we briefly consider the contributions to a recent special issue of *International Organization* (*IO*) on diffusion.

Lee and Strang (2006) consider the diffusion of public sector downsizing. They use regression analysis to study the annual change in public sector employment between 1980 and 1997 in 26 OECD countries and conclude (Lee and Strang 2006, p. 903) that:

'the size of the public sector is linked not only to domestic economic and political conditions, but also to international policy diffusion'. More particularly, they contend (Lee and Strang 2006, p. 903) that: 'down-sizing appears to be contagious, while upsizing does not'. Gleditsch and Ward (2006) focus on the diffusion of democratization. They use a transition model to examine how international and regional factors influence the likelihood that there would be democratic transition between 1951 and 1997. They argue that there are clear diffusion effects. Thus, they conclude a higher proportion of democratic neighbours and a successful transition to democracy in a neighbouring country significantly decreases the likelihood that autocracies will endure (Gleditsch and Ward 2006, p. 925). Swank (2006) examines the spread of neo-liberal tax policy among 16 advanced nations between 1981–1998 using regression analysis. In contrast to the other studies in the *IO* volume, he finds: 'net of other factors in the model, national policymakers are not systematically influenced by the general course of recent policy change across the developed countries' (Swank 2006, p. 865). Elkins, Guzman and Simmons (2006) focus on the diffusion of bilateral investment treaties between 1960 and 2000 using an event history framework and regression analysis. Their analysis is different from that of the three other articles because diffusion is their dependent variable. As such, they argue that competition between countries (Elkins, Guzman and Simmons 2006, p. 836) and increased globalization, measured in terms of growing global foreign direct investment (p. 838) and coercion, measured in terms of the use of IMF credits (p. 840), help explain diffusion.

Our argument here is that the two literatures are complementary. The transfer literature produces much more nuanced understandings of the process involved in transfer and, as such, it fits well with the limited process-tracing approach in the diffusion literature. This approach can both suggest variables that might be included in pattern-finding studies and/or help interpret the results of pattern-finding research. The diffusion literature may produce generalizable conclusions using aggregate statistical data, but they are not always easy to interpret. To take one example, Gleditsch and Ward (2006) distinguish only two types of political system, democracies and autocracies, in terms of where they are located on a seven-point institutionalized democracy scale and then examine which factors are associated with a move from democracy to autocracy, or vice versa. The details need not concern us here, but we would suggest that the likelihood of a state moving towards the democratic end of the continuum will depend on both its leaders' and citizens' understanding of democracy and its leaders' and citizens' view of the democracy in the states from which the lesson is drawn. As such, an analysis which offers a more nuanced, process-tracing, approach to democratization has much to offer.

In other diffusion studies, the use of particular proxies for complex underlying concepts seems to verge on the heroic. Certainly, Lenschow *et al.*'s (2005) use of religion as a proxy for culture in order to compare the cultures of different countries seems a simplification too far. East Timor, Switzerland and Argentina are all predominantly Catholic countries, but 'explaining' any institutional similarities in their government bureaucracies by reference to their Catholicism is very little help. Similarly, the finding in another study that culture (indicated by religion) is one of the best predictors of economic liberalization seems to be a correlation in search of an explanation, rather than an explanation as such (Simmons and Elkins 2004). The tendency of decision-theoretic models to reduce symbolic and normative factors to

nothing more than governments making deliberate means-ends calculations to maximize prestige or legitimacy, in the same way that individuals make investment decisions to maximize their wealth, is also problematic (March and Olsen 1989). The point here is not that a process-tracing approach is superior to a pattern-finding approach, rather that to explain and understand diffusion/transfer we need both approaches. We need to establish the patterns, but we also need to explain them.

Diffusion/transfer as an independent and dependent variable

As Dolowitz and Marsh (2000) point out, diffusion/transfer can be used as either a dependent or an independent variable. So, we can use diffusion/transfer as a variable to explain policy change/innovation or success or failure and/or we can try to explain under what circumstances diffusion/transfer is more likely to occur. Of course, these two approaches are not mutually exclusive, indeed a full explanation of a policy outcome surely has to cover both whether something has had an effect and how and why. As indicated, both sets of literature deal with both issues. Dolowitz and Marsh's framework focuses largely on the factors which make transfer more or less likely but, as we saw, in their second article they focus on the ways in which transfer might lead to outcomes which are successful or fail. Similarly, three of the articles in the *IO* special issue consider above use diffusion as an independent variable, while one uses it as a dependent variable.

   If we use diffusion/transfer as an independent variable, then the null hypothesis is that particular national arrangements reflect particular national circumstances, or that even if pronounced similarities can be observed, these are independent reactions to common shocks or trends. In this case, there is no transfer or diffusion. As Holzinger and Knill put it, there is nothing too mysterious about a crowd of strangers all deciding to put up their umbrellas simultaneously as rain begins to fall (2005, p. 786). As such, most contemporary work on diffusion, and to a lesser extent transfer, springs from dissatisfaction with the previously conventional notion that states are self-contained, isolated units whose institutions and policies can only be explained by reference to domestic variables.

Outcomes of the process

One of the fundamental differences between the diffusion and the transfer literature lies in the focus the former has on policy convergence. As such, the international relations policy diffusion literature treats diffusion in particular countries as a dichotomous outcome. In contrast, public policy scholars are much more likely to see policy transfer as a matter of degree. In part, this difference may reflect the different methodologies, with the diffusion researchers having to simplify variables to enable statistical analysis. However, it is also interesting that even the limited international relations work that utilizes a qualitative, case study method tends to treat diffusion as a dichotomous variable (Finnemore and Sikkink 1998, Flockhart 2006).

   Presenting diffusion as a dichotomous (adopt/don't adopt) variable may be a reasonably accurate rendering for some policies. However, in other cases such simplifications give grounds for concern. As Marcussen has noted, a seemingly simple dichotomous judgment, such as whether or not a central bank is independent, actually obscures a host of difficult decisions about classifications (2005, p. 907).

Indeed, McNamara has argued that findings about the effects of central bank independence on inflation and other macroeconomic variables may be artifacts of the way this notion has been shoehorned into a simple present/absent coding schema (McNamara 2002).

In contrast, in the public policy field researchers argue that policy transfer does not necessarily involve foreign institutions and practices being adopted *in toto*. Although such complete 'cut and paste' transfers are allowed for, they are seen as the exceptions, with hybridized combinations of outside and local knowledge much more common. As such, there is a much greater interest in the preconditions for transfer in the recipient state and how national differences may alter the speed, scope and extent to which outside examples are incorporated into the domestic policy-making process (Lenschow *et al*. 2005). These scholars are interested in what kind of actors are pushing the transfer process and what kind of actors are most receptive to these kind of epistemic imports at what stage of the policy cycle (Knill 2005). In addition, convergence may occur at different policy levels (Heichel *et al*. 2005). Of course, as we emphasized, the detail involved in such studies generally precludes the sort of large number-crunching studies common elsewhere in favour of comparisons of a few detailed case studies, generally drawn from amongst the rich industrialized countries.

The role of domestic factors

Although those studying diffusion may well resist replicating the fine-grained approach of policy transfer approach, it is clearly not acceptable to simply ignore domestic factors. While it is important to establish whether policies are growing more and more similar in their formal content, it is also crucial to recognize that they may be practiced and implemented in incredibly different ways in various national settings.

Crucially, a central premise of the diffusion literature in international relations, as well as institutional isomorphism in sociology, is that countries adopt similar policies almost regardless of domestic circumstances. Indeed, it is the incongruity of common policies across a wide variety of social and institutional environments (contrary to the prior conventional wisdom that policies reflect local circumstances) that put diffusion on the agenda in the first place. However, attention to exogenous factors should not mean an exclusive preoccupation with such factors. The public policy literature has retained a better sense of balance here, looking at how domestic circumstances affect whether, when and how governments accept transfers from abroad. Such domestic factors may include the structure of the bureaucracy, the number of veto players, stage in the electoral cycle, etc. (Lodge 2003, Lenschow *et al*. 2005). Those analyzing diffusion from an international relations background could profitably (re)incorporate these kind of domestic factors to help explain the uneven tempo and spread of given policies. This is especially the case if, as argued above, diffusion is coded in more than just a dichotomous fashion, as a matter of degree, depth and perhaps even effectiveness.

Is the world becoming more homogenized?

As a result of the difference between the synoptic, sparse, view presented by the policy diffusion literature and the more detailed public policy perspective, the two

groups come to quite radically different conclusions about whether the world really has become more homogenized. For international relations scholars researching diffusion, countries become more alike as they democratize their political systems and liberalize their economies (Simmons *et al.* 2006). Sociologists in the world society tradition share such a conclusion for an even wider range of institutions and practices, from corporate governance to social movements (Strang and Soule 1998). On the other hand, for those looking at policy transfer, the fundamental trends may be very different. The logic of transfer does not necessarily entail convergence. Because transfer is seen as continuous variable, perhaps extending along several dimensions, and often a matter of combining foreign and local models, national distinctiveness remains alive and well. Radaelli (2005), for example, notes that although all European Union governments have committed to conducting Regulatory Impact Assessments, what this means in practice varies completely from state to state in line with diverse national priorities. Overall, some public policy scholars are fairly agnostic as to whether the world is becoming a more homogenous place (see especially Levi-Faur 2006), though others tend to share the views of their colleagues in international relations and sociology (Dolowitz and Marsh 2000).

Empirical scope and case selection

In terms of case selection, studies of diffusion and transfer tend either to deal with a subset of developed Western countries (particularly common in the public policy literature) or utilize large data sets with something approaching global coverage (more typical of diffusion in international relations). There are very few regional or small-N studies with a focus outside Europe, or at least the North Atlantic (some honourable and very enlightening exceptions are provided by Evans 2004, Weyland 2004, 2005). The states of Africa, the Middle East and most of Asia are either considered only in so far as they are present in global data sets, or ignored altogether. This failure is particularly damning as it relates to policy transfer scholars, whose case study approach could be productively applied even in environments where detailed quantitative data are absent. In part, this neglect reflects the fascination with the topics of Europeanization and globalization writ large in the 1990s. This pronounced selection bias is an important shortcoming for a number of reasons.

Many of the mechanisms that are said to drive transfer and diffusion could be expected to exert a stronger influence in the developing world than anywhere else. Most obviously, if the IMF and World Bank are powerful agents of homogenization through conditional lending, their influence will be felt in recipient countries, rather than donor countries. The same can be said of coercive transfer driven by core states (e.g. Drezner 2001, 2005). Because of their generally smaller domestic stocks of capital and higher risk premiums, developing countries are also more likely to fall prey to a 'race to the bottom' dynamic in attracting foreign investment, if such a dynamic exists. At the same time, developing states legitimize themselves by mimicking developed states, rather than vice versa. If sovereign states are converging on a progressive, enlightened, rational model, those in the developing world have the most distance to travel. If policies are adopted for symbolic reasons, rather than to meet functional needs, this disjuncture should be most apparent and consequential outside the West. As such, the developing world again provides a powerful testing ground for examining the relationship between policy transfer and effectiveness. For

either confirming existing hypotheses or generating new ones, the answers lie disproportionately in the developing world.

When this neglect has been acknowledged (Drezner 2001, p. 65, Stone 2001, p. 1, Heichel *et al.* 2005, p. 819), it has been argued that the necessary data for developing countries are not available. However, this excuse seems thin. Developing countries are measured and surveyed more and more with each passing year, by outsiders and by their own statistical bodies. For the travel-shy or impecunious, the results are increasingly available on the web. For qualitative researchers, the previous reluctance of scholars to travel too far from their home base to examine the experiences of policy-makers on the receiving end of Western models should represent a tremendous opportunity for new detailed process-tracing studies and structured inter-regional and intra-regional small-N comparisons. The latter might extend to Africa, the Caribbean Basin, Southeast Asia, or a sample of developing countries might be selected on other grounds (former French colonies, or small island states).

Of course, uncritically amalgamating the experiences of developed and developing countries may serve to obscure important relationships. For example, although it is possible to observe a statistically significant relationship between central bank independence and low inflation in developed countries, this relationship disappears when extended to developing countries (which have nevertheless been no less reluctant to adopt this reform, see McNamara 2002). Harking back to the earlier discussion, different mechanisms or, more likely, different combinations of mechanisms may be at work in the periphery and in differing regions of the developing world. Finally, and foreshadowing the next point, some regions may be especially resistant to taking on outside policy innovations, prompting questions of why 'holdouts' may be geographically clustered.

Despite the explosion of literature on diffusion, transfer and cognate concepts, the idea of why countries reject outside models and stick with local solutions has received relatively little attention. For example, why has the South African government been so reluctant to accept the policy model advanced by core states, international organizations and the relevant epistemic community in its efforts to combat AIDS? Incorporating negative cases in line with the 'possibility principle' could be particularly valuable in qualitative comparisons. As Mahoney and Goertz argue (2004, p. 653), the principle in question: 'advises researchers to select only negative cases ... if one or only a small number of independent variables predict its occurrence'. For argument's sake, in relation to diffusion this might involve geographically proximate, culturally similar countries, at similarly low levels of economic development, which nevertheless maintain highly distinctive, or even steadily diverging, policies across time. To productively apply the possibility principle, the relevant theory must be refined enough to confidently specify a small number of independent variables. With reference to diffusion and transfer, some explicitly dispute this point. Nevertheless, this possibility principle approach would represent a new and relatively low-cost means by which to shed new light on existing problems.

Policy success and failure

The policy transfer literature is concerned with how transfer relates to policy outcomes. Transfer is seen generally as improving the effectiveness of government

operations (Dolowitz and Marsh 2000, p. 6, Radaelli 2000, p. 38). This presumption is present even more strongly in related earlier work on lesson-drawing (see Rose 1991), perhaps because the word 'learning' itself inherently entails these positive, progressive connotations (Alderson 2001, p. 424). Here, the idea is that, just as individuals learn through observing the experiences of others and modify their own behaviour as a result, governments can similarly draw upon a stock of knowledge concerning how particular policy measures have fared in other contexts, rather than having to work from scratch every time.

In the international relations (and sociological) literature there is no such presumption of improving effectiveness or efficiency through importing foreign models. Scholars working from these perspectives have generally bracketed-off the question of effectiveness. However, as we emphasized, this literature pays less attention to learning as a mechanism of diffusion and suggests that importing models from outside as a result of competition, coercion or mimicry, will more often than not produce policy ineffectiveness and dysfunction. For example, the view that governments mimic others to conform with dominant templates of appropriate structure and behaviour is explicitly counterposed to the view that policy diffusion is a rational process involving replacing ignorance with knowledge to enhance functional outcomes. This argument has been bolstered by empirical work that shows that the policies countries objectively 'need' to solve a particular problem are not always the ones they actually adopt for reasons of prestige or legitimacy (e.g. Lee and Strang 2006). Similarly, if countries have been coerced into adopting particular policies by powerful external actors, the policies themselves may be inherently unsuited to local conditions, or sabotaged by embittered domestic actors during the implementation. Even if learning is said to play a role, actors may have only bounded rationality and thus may generalize inappropriately from a few proximate examples and hold on to initial conclusions even in the face of repeated subsequent disconfirmations (Weyland 2005).

Despite this, we would argue that scholars interested in transfer and diffusion should be interested in policy effectiveness. Indeed, existing explanations of diffusion/transfer nearly always make implicit claims about its effectiveness (or perceived effectiveness, which only pushes the problem one-step back). More specifically, if governments are to learn, then they must gather information and sort previous experiences into instances where the policies have had the desired effect and those where they have not, before emulating the former. In addition, as noted above, it is the very lack of effectiveness of many of the outside models adopted internationally that provides the most compelling evidence for other mechanisms of diffusion; if policy solutions were clearly functional and efficient under local conditions there would be little to explain concerning why they were adopted.

There are also persuasive, practical reasons why scholars working on diffusion and transfer should confront the issue of effectiveness more directly, despite the sobering challenges this poses. For example, many NGOs claim that the imposition of Western models of water privatization in the developing world are causing massive economic deprivation and death (e.g. Public Citizen 2003). The fact that thousands of lives may hang in the balance makes evaluating the effectiveness of common water policy models more than just an interesting intellectual exercise. The conspicuous reluctance of countries like South Africa to accept policy transfer from abroad when it comes to fighting the spread of AIDS noted earlier seems to be in a similar

category. For scholars to say that data and conceptual problems make questions of evaluating the effectiveness of models transferred from outside too hard seems overly pusillanimous.

The big problem here is that there is no generally accepted framework for judging policy success and indeed the academic literature in this field is very poor.[2] A Google search entering 'policy success' produces over 200,000 hits of five broad types: media pieces assessing the success/consequences of policy; claims by government and government agency of policy successes either in the media or in official documents; interest group or voluntary organization's assessments/claims about policy successes; blogs on policy outcomes; and academic articles assessing policy success.

Obviously, the latter are most interesting here but, unfortunately, they are limited and most could be categorized broadly as policy evaluation studies, which are very narrow. Fortunately, there is an exception to the general poor quality of the literature. Bovens *et al.*'s (2001) aim is to assess policy success/failure in four areas where there are challenges to governance in six European countries (UK, Netherlands, France, Germany, Sweden and Spain): (1) management of decline (the steel industry); (2) management of institutional reform (health services); (3) management of innovation (financial sector); and (4) management of crisis (HIV AIDS). Of course, it is the criteria they establish against which success can be judged that is of relevance here. The key distinction they make is between programmatic and political success. Programmatic success is established in relation to the three criteria of effectiveness, efficiency and resilience. Political success is characterized as follows: 'the political dimension of assessment refers to the way in which policies and policy makers become represented and evaluated in the political arena' (Bovens *et al.* 2001, p. 20). More specifically, they assert: 'Indicators of political failure or success are political upheaval (press coverage, parliamentary investigations, political fatalities, litigation) or lack of it, and changes in generic patterns of political legitimacy (public satisfaction with policy or confidence in authorities and public institutions)' (Bovens *et al.* 2001, p. 21). However, they also acknowledge that the detailed measures of success will be policy dependent, so their collaborators in this edited volume were asked to develop specific criteria for their four cases (the particular programmatic and political assessment criteria are laid out in Bovens *et al.* 2001, p. 21, Table 2.2). They also acknowledge that these criteria might produce contradictory results. So, policies may be unsuccessful in programmatic terms, but spun to appear a political success, or successful in programmatic, but represented as a failure and so being politically negative for the government (Bovens *et al.* 2001, p. 20).

This seems to be an important attempt to establish criteria to judge policy success or failure and it is a useful starting point for the diffusion/transfer literature to address this crucial question. However, there is one significant weakness with the discussion of success in Bovens *et al.*, because they have no discussion of the process dimension of policy. Yet, in many cases, a government may regard a policy as successful, if it is passed, virtually unamended. Thus, a government faced with a urgent political dilemma or issue may propose a solution, perhaps transferred from abroad, which moves the issue off the political agenda. In common parlance this may be a 'quick fix', which in a longer timeframe results in programmatic failure, although in the short term in may be a political success as the government is viewed as decisive, perhaps in the run-up to an election.

Of course, even if we could agree that these three dimensions of success, process success, programmatic success and political success, are adequate ones (or even just more adequate than previous ones) and then agree measures for how these criteria could be assessed, we are still left with the question of the extent to which an objective assessment is possible. Here, epistemological issues cannot be avoided. This issue is raised by Bovens *et al*. (2006), who argue that 'policy evaluation is an inherently normative act' (p. 319) and 'It is only a slight exaggeration to say, paraphrasing Clausewitz, that policy evaluation is nothing but the continuation of politics by other means' (p. 321). Bovens *et al*. (2006) distinguish between what they call rationalistic and argumentative approaches to evaluation, so they are contrasting approaches rooted in positivist and interpretivist/constructivist epistemologies. Of course, positivists, would say objectivity is possible, although perhaps with some reservations emphasizing that different people have different perceptions of success, a point developed below. In contrast, most interpretivists and constructivists would say no, because all such criteria are merely social constructions and do not reflect an underlying reality (for a discussion of these issues see Marsh and Furlong 2002).

In response to this seeming impasse, Bovens *et al*. (2006) quote Majone (1989, p. 182) with approval (p. 329) and we would agree with this argument:

> It is not the task of analysts to resolve fundamental disagreements about evaluative criteria and standards of accountability; only the political process can do that. However, analysts can contribute to societal learning by refining the standards of appraisal and by encouraging a more sophisticated understanding of public policies than is possible from a single perspective.

There is a related, if more limited, but still very important, issue concerning 'success for whom'. The nature of politics, especially liberal democratic politics, means that 'success' will always be contested to some degree. So, we should not expect government, politicians, civil servants, interest groups, citizens, etc. to all agree on whether or not any aspect of a particular policy is successful. Of course, this raises crucial issues about power relations: do outcomes serve particular interests? More narrowly, Bovens *et al*. (2006) argue: '(Even in relatively) uncontroversial instances, policy evaluations are entwined with processes of accountability and lesson-drawing that may have winners and losers. However, technocratic and seemingly innocuous, every policy programme has multiple stakeholders who have an interest in the outcome of an evaluation: decision makers, executive agencies, clients, pressure groups' (Bovens *et al*. 2006, p. 322). They also emphasize that interested parties attempt to influence evaluations (Bovens *et al*. 2006, p. 324).

Obviously then, there are difficult questions here. However, it is both important and possible to judge the success or failure of transferred or diffused policies. We need to acknowledge the issues raised in the last two paragraphs, but not become obsessed by them. In essence, we rest on Majone's claim that (1989, p. 183): 'The need today is less to develop ''objective'' measures of outcomes – the traditional aim of evaluation research – than to facilitate a wide-ranging dialogue among advocates of different criteria'. A framework which allows us to identify different indicators of success, we suggest process, programmatic and political indicators, is crucial here. However, it is also important to acknowledge that judgements about success may reflect power relations and be different for different individuals/groups. Indeed, some

would claim that policy success itself is nothing more than a social construct reflecting power relations.

Conclusions

This article has shown that the transfer and the diffusion literature share a great deal in common. They both suggest that diffusion/transfer is an important factor in policy change. In addition, they identify a similar range of mechanisms as driving transfer/diffusion. The next step for each is to look at how mechanisms interact, and to allow for the differential functioning of these mechanisms in different regions, and on leaders as opposed to laggards. Diffusion and transfer differ significantly in terms of the structural cast of the former versus the agent-centred approach of the latter. In our view, it would be productive for each to utilize a dialectical conception of structure and agency. At the same time, there are few process-tracing studies in the diffusion literature, yet little else in transfer literature, while the diffusion literature focuses upon pattern finding, which is absent in the transfer literature. We argue here that we need to integrate these approaches if we are to both establish patterns and explain how and why they came about. This might be achieved by transfer scholars increasing their sample sizes and those working on diffusion looking in more depth at the processes which explain the aggregate patterns they uncover.

Despite the recent flurry of publications, little attention has been paid to the experiences of developing countries or regions (Latin America excepted), or negative cases of where policy transfer/diffusion has not occurred. This bias may retard the development of the field overall, for example in understating the significance of coercive transfer/diffusion. Finally, there is a need to confront the issue of policy success and failure, for compelling conceptual and practical reasons. Such evaluations undoubtedly raise a host of complicated issues, but they cannot be avoided and we suggest a putative way forward here which distinguishes between the policy, programmatic and political dimensions of success.

Notes

1. Although this article follows the currently usual approach in both international relations and public policy by referring to transfer and diffusion across states, the same processes may well be occurring between other units as well. The diffusion literature initially focused on the spread of policies among the 50 states of the United States (see Walker 1969). Indeed, Newmark's (2002) article still focuses almost exclusively on this type of diffusion research. Similarly, sociologists analyze 'institutional isomorphism' (another cognate term) between firms, local governments and professional associations (Strang and Meyer 1993, Strang and Soule 1998). As such, a future avenue of research for diffusion/transfer researchers might be to examine the degree to which international organizations, governmental and non-governmental, come to resemble each other or adopt similar practices.
2. This discussion of policy success is based on Marsh and McConnell (2009), 'Towards a model of policy success'.

Notes on contributors

David Marsh is Professor of Politics, Director of the Research School of Social Sciences, Australian National University; Research School of Social Sciences, ANU College Of Arts And Social Sciences; Room: 1110 Coombs Bldg 9; Canberra, Australia.

J.C. Sharman is a Professor and Queen Elizabeth II Fellow in the Centre for Governance and Public Policy at Griffiths University, Australia; Centre for Governance and Public Policy, 170 Kessels Road, Nathan, QLD 4111, Australia.

References

Alderson, K., 2001. Making sense of state socialisation. *Review of international studies,* 27 (July), 415–433.

Boli, J. and Thomas, G., eds., 1999. *Constructing world culture: international nongovernmental organizations since 1875*. Stanford: Stanford University Press.

Bovens, M., t'Hart, P., and Peters, B.G., 2001. *Success and failure in public governance: a comparative study*. Cheltenham: Elgar.

Bovens, M., t'Hart, P., and Kuipers, S., 2006. The politics of policy evaluation. *In*: M. Moran, M. Rein and R.E. Goodin, eds. *Oxford handbook of public policy*. Oxford: Oxford University Press.

Brady, H.E. and Collier, D., eds., 2004. *Rethinking social inquiry: diverse tools, shared standards*. Lanham, MD: Rowman and Littlefield.

Braithwaite, J. and Drahos, P., 2000. *Global business regulation*. Cambridge: Cambridge University Press.

Braun, D. and Gilardi, F., 2006. Taking 'Galton's problem' seriously: towards a theory of policy diffusion. *Journal of theoretical politics*, 18 (3), 298–322.

Busch, P.-O. and Jorgens, H., 2005. The international sources of policy convergence: explaining the spread of environmental policy innovations. *Journal of european public policy,* 12 (October), 860–884.

Collier, D. and Messick, R., 1975. Prerequisites versus diffusion: testing alternative explanations of social security adoption. *American political science review*, 69, 1299–1315.

DiMaggio, P.J. and Powell, W.W., eds., 1991. *The new institutionalism in organizational analysis*. Chicago: University of Chicago Press.

Dolowitz, D.P. and Marsh, D., 1996. Who learns what from whom: a review of the policy transfer literature. *Political studies*, 44 (2), 343–357.

Dolowitz, D.P. and Marsh, D., 2000. Learning from abroad: the role of policy transfer in contemporary policy-making. *Governance,* 13 (January), 5–24.

Drezner, D.W., 2001. Globalisation and policy convergence. *International studies review*, 3, 53–78.

Drezner, D.W., 2005. Globalisation, harmonisation, and competition: the different pathways to policy convergence. *Journal of european public policy,* 12 (October), 841–859.

Elkins, Z., Guzman, A., and Simmons, B., 2006. Competing for capital: the diffusion of bilateral investment treaties 1959–2000. *International organization*, 60(4), 811–846.

Elster, J., 1999. *Alchemies of the mind: rationality and the emotions*. Cambridge: Cambridge University Press.

Evans, M. and Davies, J., 1999. Understanding policy transfer: a multi-level, multi-disciplinary perspective. *Public administration*, 77 (2), 361–385.

Evans, M.G., 2004. *Policy transfer in global perspective*. Aldershot: Ashgate.

Finnemore, M. and Sikkink, K., 1998. International norms dynamics and political change. *International organization,* 52 (Autumn), 887–917.

Flockhart, T., 2006. Complex socialisation': a framework for the study of socialisation. *European journal of international relations*, 12 (1), 89–118.

Gleditsch, K.S. and Ward, M.D., 2006. Diffusion and the international context of democratization. *International organization,* 60 (Fall), 911–933.

Granovetter, M., 1978. Threshold models of collective behavior. *American journal of sociology,* 83 (May), 1420–1443.

Hay, C., 2001. *Political analysis*. Basingstoke: Palgrave.

Heichel, S., Pape, J. and Sommer, T., 2005. Is there convergence in convergence research? An overview of empirical studies on policy convergence. *Journal of european public policy,* 12 (October), 817–840.

Holzinger, K. and Knill, C., 2005. Causes and conditions of policy convergence. *Journal of european public policy*, 12 (October), 775–796.

Jacoby, W., 2000. *Imitation and politics: redesigning modern Germany*. New York: Cornell University Press.

Jahn, D., 2006. Globalisation as 'Galton's problem': the missing link in the analysis of diffusion patterns in welfare state development. *International organization,* 60 (Spring), 401–431.

James, O. and Lodge, M., 2003. The limitations of 'policy transfer' and 'lesson drawing' for public policy research. *Political studies review*, 1, 179–193.

Jones, T. and Newburn, T., 2002. Learning from Uncle Sam: exploring US influence on British crime control policy. *Governance*, 15 (1), 97–119.

Knill, C., 2005. Introduction: cross-national policy convergence: concepts, approaches and explanatory factors. *Journal of european public policy,* 12 (October), 764–774.

Lamour, P., 2002. Policy transfer and reversal: customary land registration from Africa to Melanesia. *Public administration and development*, 22, 151–161.

Lee, C.K. and Strang, D., 2006. The international diffusion of public sector downsizing: network emulation and theory-driven learning. *International organization,* 60 (Fall), 883–909.

Legrand, T., 2007. *Overseas and over here: the politics and pathways of policy transfer*. Thesis (PhD). University of Birmingham.

Lenschow, A., Liefferink, D. and Veenman, S., 2005. When the birds sing. A framework for analysing domestic factors behind policy convergence. *Journal of european public policy,* 12 (October), 797–816.

Levi-Faur, D., 2006. Regulatory capitalism: the dynamics of change beyond telecoms and electricity. *Governance,* 19 (July), 497–525.

Lodge, M., 2003. Institutional choice and policy transfer: reforming British and German railway regulation. *Governance*, 16(2), 78–159.

Lohmann, S., 1994. The dynamics of informational cascades: the Monday demonstrations in Leipzig, East Germany, 1989-91. *World politics,* 47 (October), 42–101.

Mahoney, J. and Goertz, G., 2004. The possibility principle: choosing negative cases in comparative research. *American political science review,* 98 (November), 653–669.

Majone, G., 1989. *Evidence, argument and persuasion in the policy process*. New Haven: Yale University Press.

March, J.G. and Olsen, J.P., 1989. *Rediscovering institutions: the organizational basis of politics*. New York: Free Press.

Marcussen, M., 2005. Central banks on the move. *Journal of european public policy,* 12 (October), 903–923.

Marsh, D. and McConnell, A., 2009. Towards a framework for establishing policy success. *Public administration*, (forthcoming).

Marsh, D. and Furlong, P., 2002. A skin not a sweater: ontology and epistemology in political science. *In*: D. Marsh and G. Stoker, eds. *Theory and methods in political science*. Basingstoke: Palgrave, 17–41.

McAnulla, S., 2002. Structure and agency. *In*: D. Marsh and G. Stoker, eds. *Theory and methods in political science*. Basingstoke: Palgrave, 271–291.

McNamara, K., 2002. Rational fictions: central bank independence and the social logic of delegation. *West european politics,* 25 (January), 47–76.

Meseguer, C. and Gilardi, F., 2006. What's new in the study of policy diffusion? A critical review. 2006 unpublished paper, previously presented at the International Studies Association 2005 Hawai'i.

Most, B. and Starr, H., 1990. Theoretical and logical issues in the study of international diffusion. *Journal of theoretical politics*, 2 (4), 391–412.

Newmark, A.J., 2002. An integrated approach to policy transfer and diffusion. *Review of policy research,* 19 (Summer), 152–178.

Public Citizen, 2003. *Water privatization fiascos: broken promises and social turmoil*. Available from: http://www.citizen.org/documents/privatizationfiascos.pdf

Radaelli, C.M., 2000. Policy transfer in the European union: institutional isomorphism as a source of legitimacy. *Governance,* 13 (January), 25–43.

Radaelli, C.M., 2005. Diffusion without convergence: how political context shapes the adoption of regulatory impact assessment. *Journal of european public policy,* 12 (October), 924–943.

Ragin, C.C., 1987. *The comparative method: moving beyond quantitative and qualitative strategies.* Berkeley: University of California Press.

Rose, R., 1991. What is lesson-drawing? *Journal of public policy,* 11 (1), 3–30.

Simmons, B.A. and Elkins, Z., 2004. The globalisation of liberalisation: policy diffusion in the international political economy. *American political science review,* 98 (February), 171–189.

Simmons, B.A., Dobbin, F. and Garrett, G., 2006. Introduction: the international diffusion of liberalism. *International organization,* 60 (Fall), 781–810.

Stone, D., 2001. *Learning lessons, policy transfer and the international diffusion of policy ideas.* Centre for the Study of Globalisation and Regionalisation Working Paper, No.69/01 University of Warwick.

Strang, D. and Meyer, J.W., 1993. Institutional conditions for diffusion. *Theory and society,* 22 (4), 487–511.

Strang, D. and Soule, S.A., 1998. Diffusion in organisations and social movements: from hybrid corn to poison pills. *American review of sociology,* 24 (1), 265–290.

Swank, D., 2006. Tax policy in an era of internationalization: explaining the spread of neoliberalism. *International organization,* 60 (Fall), 847–882.

Walker, J.L., 1969. The diffusion of innovation among American states. *The american political science review,* 33 (September), 880–899.

Weyland, K., ed., 2004. *Learning from foreign models in Latin American pension reform.* New York: Woodrow Wilson Center Press.

Weyland, K., 2005. Theories of policy diffusion: lessons from Latin American pension reform. *World politics,* 57 (January), 262–295.