

I Introduction

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One of the key issues of globalisation research in the social sciences is the question of whether globalisation leads to the convergence of political institutions, policies, the legal order and societal structures (Guillén 2001: 235). Is the world becoming ever more similar as a result of globalisation and Europeanisation as the 'world society approach' (Meyer *et al.* 1997) implies? Does the strong growth of economic and institutional interlinkages between nation states lead to increasingly similar policy measures across countries? Or is the search for convergence emerging from the domestic impact of globalisation and European integration 'an impossible quest' (Dimitrova and Steunenberg 2000: 201), because domestic responses to global or European challenges are strongly influenced by existing domestic structures and institutions (see, for example, Cowles, Caporaso and Risse 2001; Héritier *et al.* 2001; Knill 2001)?

Although there has been an intensified and renewed debate on the convergence and divergence of national policies in recent years, we still have a limited understanding of the phenomenon of policy convergence. What explains the adoption of similar policies across countries over time? If it exists, is convergence of policies driven by economic processes or by emerging structures of global governance, that is, the rise of regional and global political institutions? Under which conditions can we expect domestic policies to converge or to diverge further apart? Why do countries converge on some policy measures, but not on others? In the literature, many factors have been suggested in order to account for the mixed empirical evidence of both convergence and divergence. However, there is still a lack of systematic theoretical and empirical investigations about their actual explanatory relevance. There are few quantitative studies

which investigate the convergence of policies in a certain domain over a large number of countries and an extended period of time and which combine this approach with causal analysis.

Against this background, the purpose of this book is twofold. In empirical terms, we address two important research questions for which the existing literature so far provides no systematic answers: (1) To what extent can we observe a convergence of environmental policies across countries? (2) In which direction do environmental protection levels develop; that is, does convergence coincide with an environmental race to the top or a race to the bottom? In theoretical terms, our central focus is on the role that international factors play in this development. More specifically, we investigate if and to what extent the observed patterns can be traced to growing institutional and economic interlinkages among nation states. What role is played by international cooperation, transnational communication and regulatory competition between states with regard to the convergence and direction of environmental policies and standards?

We chose environmental policy as the empirical subject for several reasons. First, there is a large amount of – partly conflicting – theoretical literature for this policy domain, analysing policy diffusion or policy convergence and predicting races to the bottom or, alternatively, to the top of the regulatory level. Second, there is some empirical evidence of a global spread of certain policies. However, we still lack systematic investigations on a larger scale. Third, environmental policy is, on the one hand, an important, complex and interesting policy field that deserves thorough analysis; on the other hand, environmental policies are measurable and thus amenable to systematic and quantitative comparison.

In view of the theoretical questions addressed, the focus of this study is far from being restricted to environmental policy, but has important implications and linkages to many areas which in recent years have become booming research industries. This holds first and foremost for research on the domestic impact of globalisation and Europeanisation. In both areas the question of whether growing

institutional and economic interlinkages at the global and supranational level make a difference for the formulation and implementation of domestic policies is at the centre of many studies. Notwithstanding an ever growing number of studies in this field, we still have a limited understanding with regard to the causal driving forces behind global and European influences as well as the conditions and consequences of their effects. The underlying study contributes to this debate in varying ways. On the one hand, we investigate and compare systematically the specific impact of three potential causes of global and European impacts on national policy-making, namely the role of regulatory cooperation at the level of international organisations and the European Union (EU), the integration of states into transnational communication networks, and regulatory competition as a consequence of the growing integration of global and supranational economies. On the other hand, we provide a thorough analysis of the consequences of these developments. Do they lead to the convergence of policies and, if yes, at which regulatory level?

The focus of this book, however, goes beyond issues of globalisation and Europeanisation. It is analytically and theoretically closely linked to the research literature on policy diffusion, policy transfer and policy convergence. The starting point of studies in these fields is the question of which factors are most crucial in driving the cross-national spread of policies or their growing similarity across countries. To what extent are such developments caused by international or domestic factors? To what extent are such developments simply the result of independent but parallel problem pressures with which states are confronted? On the basis of the underlying study, we are able to make important contributions to these questions. This holds true not only with regard to the relative impact of different international driving forces, but also their relative impact in comparison to potential domestic factors (which we also include in our explanatory models).

In order to achieve these objectives the underlying study employs a comprehensive and detailed macro-quantitative methodology. This is a precondition not only for giving a broad descriptive view of the development in this field, but also for doing causal analysis.

We therefore analyse the policy development for forty different environmental policy measures in twenty-four member countries of the Organisation for Economic Cooperation and Development (OECD) (including the EU-15 [except Luxembourg], Bulgaria, Hungary, Norway, Poland, Romania, Slovakia and Switzerland as well as Japan, Mexico and the United States) over a period of thirty years (from 1970 to 2000). This way, we are able to make rather precise statements both on the extent to which the environmental policy similarity of the countries under study has increased, and on the extent to which this development coincided with races to the top or races to the bottom.

As the required data were not available from existing sources we collected them by means of an expert survey in all twenty-four countries. On this basis we are able to give a full account of the development of this policy field, that is, to describe and explain the degree of convergence and to describe and explain the direction of convergence.

The analysis is based on two innovative methodological concepts for the measurement of policy convergence. First, we depart from existing approaches which assess the degree of convergence by merely relying on aggregate measures, such as the variation coefficient. Instead, and complementary to existing measurement concepts, we base our assessment of convergence on the systematic comparison of country pairs (pair approach). This way, we are able to make insightful statements for the development of a country pair compared to the whole sample, a possibility that is not available when solely relying on conventional approaches. Second, for the measurement of the direction of convergence, we developed a new concept, namely, the gap approach. It measures the changes of a country's distance from an exemplary model (such as, for instance, the country with the strictest environmental standard during the observation period). As we will show, both the pair and the gap approach offer important departures for advancing our understanding and knowledge of processes of convergence and diffusion.

In our analysis, we find an impressive degree of environmental policy convergence between the countries under investigation. Between 1970 and 2000, the policy similarity of the average country pair increased from 3.5 per cent to 5.6 per cent. At the same time, there is no evidence for often-feared scenarios of races to the bottom. On the contrary, levels of environmental protection steadily became stricter over the years.

When looking at the different effects of international factors on the degree and direction of policy convergence, several findings have to be emphasised. First, it is rather obvious that regulatory cooperation both at the level of international organisations as well as the EU has an important explanatory potential in accounting for the increases in policy similarity and protection levels. Second, and this is probably much less obvious, the mere fact that nation states communicate and exchange information with each other in transnational networks plays an almost equally important role in explaining the observed developments. Finally, while both cooperative and communicative institutional interlinkages between states are of very high explanatory relevance, we find no support for effects of regulatory competition, neither with regard to the degree nor the direction of convergence. This implies that there is no evidence for races to the bottom as a result of economic integration.

In the following chapters, we develop these findings. Chapter 2 clarifies the underlying concepts of convergence and the links to theoretical discussions on convergence in the broader research context of international relations and comparative politics. The theoretical background of the study is elaborated in chapter 3. Based on the analysis of varying causal factors, we develop hypotheses on the extent to which the main independent variables under study – international harmonisation, transnational communication and regulatory competition – affect the degree and direction of cross-national policy convergence. At the same time, corresponding hypotheses for the impact of varying domestic factors are deduced

from existing theories. In chapter 4, we present our research design, the operationalisation of dependent and independent variables and the methods of data collection in closer detail.

On the basis of these theoretical and methodological considerations, the following chapters are dedicated to the presentation of our empirical results. For this purpose, we proceed in three steps. In chapter 5, we provide an aggregate analysis of our empirical findings by relying on conventional approaches to measuring convergence. As we will show, these approaches only allow for the description rather than a thorough causal explanation of our results. We therefore complement this analysis by investigating and explaining the degree of convergence on the basis of the pair approach (chapter 6). In the final step, we account for the observed direction of convergence on the basis of the gap approach (chapter 7). In chapter 8, we summarise our theoretical and empirical findings and discuss the broader research implications of our study.