

A Comprehensive Analysis of Policy Diffusion: Regulatory Impact Analysis in EU and OECD Member States

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I certify that all material in this thesis which is not my own work has been identified and that no material has previously been submitted and approved for the award of a degree by this or any other University.

Fabrizio De Francesco

To Karl, Leonardo, Luca, and Zeynep

‘The State of tomorrow need not be the Orwellian super-State with its omnipotent administration, unrestrained by any checks on its all-pervasive regulatory activities. But there is no reason to doubt that the future will see little diminution in the rate of increase of administrative authority.’

(Schwartz, 2006, 337)

Abstract

Among the tools available to enhance the rationality of policy formulation, Regulatory Impact Analysis (RIA) has captured the attention of many scholars for its potential to enhance the accountability and transparency of regulatory governance. Although almost all EU and OECD member states have adopted RIA, only a subset of small-n case comparative studies on institutional, political and administrative impact have been conducted. By filling this gap in the literature and proposing the rigorous operationalisation of concepts such as adoption, extent of implementation, and learning, this thesis ascertains the extent of interdependency among governments in their choices concerning an innovation of regulatory governance. Methodologically, the dissertation draws on a multi-method approach, consisting of qualitative analysis to track the process of institutionalisation, as well as event history analysis, based on a dataset covering thirty-eight countries from 1968 to 2006.

The empirical findings show that diffusion is a multi-faceted process. In the decision to adopt RIA, the role of the OECD in translating, packaging, and promoting such administrative innovation coexists with previous innovations and other administrative variables. Yet the impact of interdependency is marginal in the successive phases of implementation and evaluation. Earliness of adoption is the major predictor of the extent of implementation. There is little evidence of interaction and communication among adopters on the subject of their learning experience. On balance, this regulatory governance innovation is a domain of symbolic and rhetorical meanings that is not adequately supported by administrative capacity.

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Acronyms

ACTAL the Dutch Advisory Board on Administrative Burdens

APA Administrative Procedure Act

APAA Average Proportions of Adjacent Adopters

ASA Agence pour la Simplification Administrative

BRE Better Regulation Executive

CBA Cost-Benefit Analysis

CEA Cost-Effectiveness Analysis

CCA Compliance Cost Assessment

CEECs Central and East European Countries

EHA Event History Analysis

EIA Environmental Impact Assessment

ENBR European Network for Better Regulation

E.O. Executive Order

EPA Environmental Protection Agency

EVIA Evaluating Integrated Impact Assessment

EU European Union

FOI Freedom of Information

GAO Government Accountability Office

IA Impact Assessment

MLE Maximum Likelihood Estimate

NAO National Audit Office

NEPA National Environmental Policy Act

NNR Board of Swedish Industry and Commerce for Better Regulation

NPM New Public Management

OBPR Office of Best Practice Regulation

OECD Organisation for Economic Cooperation and Development

OIRA Office for Information and Regulatory Affairs

OMB Office for Management and Budget

OSHA Occupational Safety and the Health Administration

P-A Principal-Agent

PART Program Assessment Rating Tool

RIA Regulatory Impact Analysis

RIAS Regulatory Impact Analysis Statement

RIS Regulatory Impact Statement

SCM Standard Cost Model

TBS Treasury Board of Canada Secretariat

UNDP United Nation Development Programme