The interaction of domestic and international factors in understanding policy change

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The policy process literature and the international relations literature on international influences on domestic policy as separate theoretical fields. To some extent scholars within these fields study the same type of processes, yet on different levels, and with limited interaction. We argue that a more extensive cross-fertilization of policy process and international relations theories of policy diffusion and other international influences on domestic policy can generate valuable insights into how international and domestic processes interact in creating domestic policy outcomes. Focus is on factors important in both fields, as well as more generic factors. As such, this cross-fertilization can strengthen the theoretical foundation of some hypotheses, both in policy process and international relations theory, but also introduce new ones from the other field. These theoretical insights are particularly valuable for studies of domestic policy change in issue areas that are highly connected to the international agenda or which are characterized by polities adopting similar policies. In the paper we construct a theoretical framework that includes insights from both policy process and international relations theories. In this we focus on the common elements of policy process theories, rather than on the different theories by themselves. The most commonly used policy process theories, like the Advocacy Coalition Framework, the Multiple Streams Framework, Punctuated Equilibrium Theory, and Discursive Institutionalism, include overlapping factors although naming them differently. It is on these overlaps that our focus is directed. The most important are (1) ideational elements, captured in, for example, ‘policy images’ within Punctuated Equilibrium Theory, the shared understandings of problems within advocacy coalitions, the shared storylines within discourse coalitions, or the ‘national mood’ in the Multiple Streams Framework; (2) the presence of specific types of actors, like policy entrepreneurs or advocacy coalitions; and (3) external shocks or events. Drawing on international relations theories we focus on pathways of influence related to, for instance, learning and norm diffusion, which connects well with the ideational elements in policy process theory as well as the presence of certain actors. On the basis of these two bodies of literature a theoretical framework is established. The framework focuses on the role of international, domestic, and on the different mechanisms through which such factors influence the policy process. These mechanisms are ideational change, learning and changes to the relative material power of actors, all of which may influence agency within the policy process. Besides these mechanisms, the framework also includes external events that influence the strategies adopted rather than the agency of the involved actors themselves. The framework will be utilized to establish several hypotheses that can be tested on empirical cases, for instance the current surge of carbon pricing mechanisms in the aftermath of the Paris Agreement.
Introduction

Theories of the policy process have long included international influences among the factors affecting the outcomes of domestic policy-making. International relations theories of policy diffusion and other international influences on domestic policy increasingly address the mechanisms through which such influences influence policy output. Nonetheless, policy process theory and international relations theory are often seen as separate theoretical fields in spite of the fact that, to a large extent, scholars within these fields study the same type of policy output, yet with different foci, and with limited interaction. In this paper we argue that there is a potential for cross-fertilisation between these two bodies of literature. In order to address this potential, we seek to establish a theoretical framework incorporating international and domestic factors while adopting a comparative approach assessing the varying factors. This is important as many political issues can hardly be seen as purely international or domestic. More accurately they are often both international and domestic—to different degrees and concerning different aspects. The interplay between international and domestic factors in how and when national decisions are made and how policies are designed is in many instances key for understanding contemporary policy developments.

Developing such a framework is crucial for studying the adoption of similar policies in different polities. We argue that the adoption of such policies is generally driven by a combination of domestic and international factors influencing agency in the policy process through different mechanisms. Thus, constructing a theoretical framework drawing on both the literature on international influences and on domestic policy processes is useful, because it allows for studying the influence of different mechanisms on agency within the policy process rather than directly on the output of such processes, and for grouping together international and domestic influences operating through the same mechanisms.

This leads to the following research questions:

1. To which degree is policy output, including the timing and design of such output, influenced by respectively domestic or international factors?
2. Which mechanisms are most important in influencing the policy process leading to such output?
3. How do such mechanisms interact?

In order to outline how these questions can be answered, we firstly present a survey of the fields of international relations (IR) and public policy, focusing on how they describe respectively international and domestic factors in explaining national policy output. We also discuss the possibilities and problems inherent to creating a framework integrating insights from several different theories. Secondly, we outline our theoretical framework, including a number of hypotheses. And thirdly, we shortly present a possible case to be studied using the framework, namely carbon pricing.

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1 We use the term "polity" in order to cover both sovereign states and sub-state entities such as American states or German Länder.
Survey of the field

Studies of the factors influencing domestic policy-making are present within the field of both Public Policy and International Relations (IR), and to some degree also comparative politics. These bodies of knowledge to a large extent overlap in terms of the factors studied, but differ in their emphasis placed on them, particularly when it comes to domestic vis-à-vis international factors. Given this, there is remarkable little interaction between the two fields. One explanation could be that public policy theories, which try to explain agenda-setting and/or policy-making, usually are overarching frameworks or models of the policy process that incorporate several factors without studying their individual impact. They focus on how different factors interact and together lead to certain results. Most theories of international influences on domestic policy focus on single or a few factors (Marsh and Sharman 2009). They thus want to explain how certain developments on the international level affect domestic agenda-setting and policy-making, rather than understand why certain decisions are agreed.

The literature on influence from the international to the domestic level has often operated in the intersection between International Relations (IR) and comparative politics (Gourevitch 1978). Among those theories originating in IR, constructivists have focused on the dissemination of ideas – particularly norms of appropriate behaviour – from the international to the domestic level (Finnemore and Sikkink 1998; Wiener 2004), while other scholars have focused more on the impact of conditionalities imposed by International Organizations such as the IMF (Vreeland 2007) or the EU (Schimmelfennig 2008). A third group of neo-Gramscian and poststructuralist scholars have focused on the spread of hegemonic ideas from the international level to the domestic level as part of a neoliberal world order (Cox 1981; Gill 1995).

As mentioned, most of the literature on international influences focuses on one kind of influence (Dobbin et al. 2007), but increasingly scholars have developed more comprehensive frameworks for comparing different kinds of influences (Berry & Berry 2014; Dobbin et al. 2007; Bernstein and Cashore 2012). These frameworks generally distinguish between normative/socialisation-based, market-based/competitive, learning/lesson-drawing and coercive/compliance-based mechanisms of influence (Marsh and Sharman 2009). Yet, this literature tend to only include more structural domestic factors in their analysis (often acting as scope conditions for international influences) (Berry & Berry 2014; Aklín & Urpeläinen 2014). Yet, the influence from the same international factor may lead to different policy outputs in different settings, depending not only on structural domestic factors but also on the agency of actors and on domestic influences which are not constant but take place through mechanisms similar to the international influences, e.g. learning. Although some of the scholars of international factors include the role of domestic policy entrepreneurs (Finnemore & Sikkink 1998), they generally lack the comprehensive focus on domestic factors that can be found in the policy process literature, and more specifically to systematically include cases in which there is little international influence. Hence, in our view it makes sense to focus on the influence from domestic and international factors on the policy process that lead to policy output, rather than on the policy output itself, and how these factors play out in a policy process characterised by agency from a range of different actors. A useful set of theories describing the policy process and the role of agency therein can be found in the public policy literature.

Within the field of public policy many of the more comprehensive frameworks, including the influential theories from the 1980’s and 1990’s—the Multiple Streams Framework (Kingdon
1984; 2003), the Advocacy Coalition Framework (Sabatier & Jenkins-Smith 1993; Jenkins-Smith et al. 2014), and the Punctuated Equilibrium Theory (Baumgartner & Jones 1993; Baumgartner et al. 2014)—do not pay particular attention to how international influences interact with domestic once in explaining agenda-setting and policy-making. These theories are all systemic, incorporating the interaction of several factors in explaining agenda-setting as well as policy stability and change. The factors included in most public policy theories are, according to Cairney and Heikkela (2014), actors, institutions, networks and subsystems, ideas, policy context, and events. Although focus is seldom directly on international influences, the mentioned frameworks are all open to the possibility of international developments and actors playing a role in domestic policy processes. All of the above-mentioned factors may stem from the international or the domestic level. The most obvious connection to international developments, though, is in what is called ‘events’. Events could be either regular or sudden, and either internal or external to the system studied. These events can be part of larger international developments, for example an economic recession, or consist of a crisis that affects many countries, for example major environmental accidents. It is primarily the sudden events that are international, yet it is also possible to conceive of regular events that can be international in character, like the annual negotiations within an international regime. Some public policy studies focus more directly on international influences and how they interact with domestic once. These studies focus on policy diffusion, policy transfer, and learning and overlap with the above-mentioned international relations studies of policy diffusion (Berry and Berry 2014). They focus primarily on why new policies are adopted, and especially on if and how countries, or US states, are affected by one another (Walker 1969; Rose 1993; Dolowitz and Marsh 2012). For the purpose of this paper, these theories suffer from not being as comprehensive as the more systemic public policy theories.

In the last years, studies on public policy have seen an increased interest in developing and to some extent moving forward with, or even beyond, the influential theories of the 1980’s and 1990’s. The above-mentioned frameworks have become theoretical programs with several scholars applying and developing them. There is also a movement to try to cross-fertilize these theories (e.g. Real-Dato 2009; Weible et al. 2011; Gupta 2012). Although cross-fertilization can be seen as a promising avenue to improve existing theories, there are also problems with this endeavour. Cairney (2013), for example, argues that most studies trying to use two or more public policy theories fails, as they underestimate the effort required. The result, he argues, is often that one theory is emphasised, and thus that the cross-fertilization is not realized. In fact, working with one of these systemic theories entails, in itself, a lot of effort. Another implication of this is that most studies using public policy theory only include one or a few cases, as they require in-depth studies.

Cairney (2013) identifies several different ways of using multiple theories. Our framework can be seen as an effort to create a ‘synthesis’, in which the insights from several theories are used to construct a new one. According to Cairney, John (2003) is an example of this in public policy theory. Among the theories of international influence on domestic policy, Bernstein and Cashore (2012), are rather trying to ‘complement’ different perspectives, than create a full synthesis. The difference between the two approaches is that the synthetic one tries to explain the relationships between variables, whereas the complementary one does not. The synthetic approach has the potential to provide more added value than the complementary one, but also entails more challenges. One of these challenges is that the inclusion of more

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2 Researchers name these events differently; for example, Birkland (1997) talks about ‘focusing events’, whereas Jenkins-Smith et al (1993) use the term ‘triggering events’.
factors makes it difficult to conduct in-depth studies. The advantage of the influential theories from the 1980’s and 1990’s is that, although being systemic, they zoom in on particular aspects of the policy process and do not try to include all possible factors. There is also an obvious risk that the inclusion of more factors will lead to a weaker elaboration of the mechanisms connecting the different factors. Another problem with cross-fertilization is that the theories used could be incompatible in some aspects.

**Theoretical Framework**

With the theoretical framework developed here we aim for a synthetic theory, which will use insights from a number of public policy and IR theories. Our aim is that the framework can be used to assess both how different factors interact and their relative influence on policy output, the timing of the decisions constituting policy output, and their design. It will also be possible to use the framework to study systematic differences between types of countries. As the framework is intended for small-n studies, it will not be possible to keep the high level of detail, which can be found in single case studies using one of the public policy theories. On the other hand, some complexity is still needed if the framework should contribute to theories of international influences on domestic policy output, in which policy processes are often more or less black boxed.

The project will combine different strands primarily from International Relations and Public Policy into a theoretical framework. We argue that a more extensive cross-fertilization of IR and public policy theories can generate valuable insights into how international and domestic processes interact in generating domestic policy outcomes (see Marsh and Sharman 2009). These theoretical insights are particularly valuable for studies of policy change in issue areas highly connected to the international agenda, which can be difficult to understand without focusing also on the international level, and where policy change leads to the adoption of similar policies. Our aim is to enable a comparative study of more cases than is usual in public policy studies, while at the same time adding theoretical depth compared to frameworks developed for large-N studies (Swank 2006). Our theoretical framework occupies a place between the above-mentioned systemic approaches presented in Sabatier & Weible (2014) and the approaches focusing on one kind of influence, e.g. Finnemore & Sikkink (1998).

The theoretical framework is developed to explain policy output, including policy design and when decisions are adopted. Central to the framework is the focus on the agency of groups and individuals, i.e. the possibility of actors to act according to their beliefs and goals. We do not limit the framework to domestic or international actors, but include these on equal terms. The assumption is that actors are involved in networks including several levels. Policy communities or networks cannot today be seen as populated only by domestic actors. It is rather the interplay between a range of actors on different levels that are significant. Therefore, the theoretical framework in figure 1 does not distinguish between levels. There can, of course, be differences between policy sectors and issues in how far actors at different levels interact, but this is foremost an empirical question.

The framework is based on agency. Therefore, the focus is on mechanisms that influence the agency of different actors, e.g. by strengthening or weakening it, on how actors, through different strategies, influence decision-making and the policy output, and finally on how external events may influence the strategies adopted by actors (see figure 1).
The framework includes three mechanisms that can influence agency: ideational change, learning, and changes to the relative material (or non-ideational) power of actors. These are based both in IR and public policy theory. Focus in the framework is on policy subsystems (see Jenkins-Smith et al. 2014), which could include actors on different political levels.

Ideational change affects the room of manoeuvre for actors to influence decision-making, but also, and more fundamentally, affects how actors perceive the world and their own goals. Ideas include both normative beliefs about appropriate behaviour and cognitive beliefs about the nature, causes and consequences of policy problems (see Schmidt 2008: 306-307). The importance of ideas for agenda-setting and decision-making is emphasized in several public policy theories, including concepts like ‘policy images’ (Baumgartner et al. 2014), ‘advocacy coalitions’ (Jenkins-Smith et al. 2014) and ‘discourse coalitions’ (Hajer 1995). These theories highlight the importance of shared understandings and indicate that it is actors, not ideas as such, that drive policy change. Besides potentially changing the beliefs and goals of actors, ideational change implies that the agency of some actors will be strengthened, whereas that of others will be weakened. The reason is that the introduction of new ideas or changes to existing ideas may legitimize (or delegitimize) particular goals or actors as well as open up new avenues for framing issues. Consequently, ideational change is, at least on short term, likely to lead to increased contestation between actors, although in the longer run it may create space for compromise between competing ideas/approaches (Hajer 1995; 2006). Ideational change may originate from the international level (e.g. promotion of specific norms or developing shared understandings of an issue in epistemic communities, see respectively Finnemore and Sikkink 1998; Haas 2000) or the domestic one (e.g. in policy subsystems, see Jenkins-Smith et al. 2014).

**Hypothesis 1a:** The impact of ideational change on the agency of a given actor depends on the fit between the change in question and the actor’s existing beliefs.

**Hypothesis 1b:** Ideational change leads initially to a high degree of contestation within the policy process.

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3 Some scholars of policy diffusion include imitation of other polities as a fourth mechanism (Berry & Berry 2014: 311; DiMaggio & Powell 1983: 151). However, we find such imitation either falls under the category of ideational change (when polities are imitated because they are seen as setting the standard for appropriate action) or learning (when polities are imitated because their policies are seen as providing better ways of achieving policy objectives). Competition, often also included as a fifth mechanism, is discussed under the mechanism “changes to the relative material power”.
Hypothesis 1c: Ideational change is more important than the other mechanisms for explaining policy design.

Hypothesis 1d: Ideational change may originate solely from the international level, but does not originate solely from the domestic level.

Learning is understood as changing beliefs concerning the “best” (generally most efficient or effective) way to achieve an objective on the basis of past experiences. The experiences may have happened to the individual who is learning, or may be based on the experiences of others (Dobbin et al. 2007: 460). This and other types of learning is highlighted in several public policy theories (Kingdon 2003; Jenkins-Smith et al. 2014), and especially in the diffusion, transfer and learning literature (Rose 1993; Dunlop and Radaelli 2013). Learning can be generated from experiences in other countries or from policy sectors within the same country. Here learning is understood as affecting agency foremost by providing actors with stronger arguments. According to Jenkins-Smith et al (2014), learning leads, foremost, to incremental change of policies. This means that learning by itself will rarely lead to completely new policies. Learning rather affects the design of a policy. The distinction between ideational change and learning is not necessarily a clear-cut one. Whereas learning inherently influences the beliefs of actors, ideational changes do not necessarily do so.

Hypothesis 2a: The impact of learning on agency varies less between actors and is less dependent on existing beliefs than ideational change.

Hypothesis 2b: Learning rarely leads to contestation within the policy process.

Hypothesis 2c: Whether learning originates from the international or domestic level has little influence on its impact on agency.

Hypothesis 2d: Learning by actors in policy subsystems is mostly important for explaining the design of policies.

Changes to the relative material power of actors influence agency. Within the policy process, actors differ in their power, understood as the ability of an individual or group to achieve their own goals or aims when others are trying to prevent them from realising them (Weber 1947: 52). Crucially, power can only be understood in relation to other actors, and hence changes in power can only be understood in terms of changes in the relative power of actors vis-à-vis other actors. Importantly, while ideational change can affect the relative power of actors, this mechanism focuses on the changes that constrain and enable specific actions or actors by affecting the non-ideational, i.e. formal and material, structures within which they have to operate. Such change may focus on particular actions (e.g. punishing or rewarding an action) as well as particular actors (e.g. increasing or limiting their resources within the policy process). From the international level, direct coercion, conditionalities, commitments and support (e.g. finance) may hinder or facilitate certain actions as well as empower or weaken particular constituencies (Kahler 2000). Such international power influences may originate from individual states (Berry & Berry 2014: 313-314) or international institutions, including International Organizations such as the IMF (Vreeland 2007) or international regimes such as the climate regime or the trade regime (Keohane 1989). Further, competition between polities also influences the power of actors within the policy process (Dobbin et al 2007: 457-460; Berry & Berry 2014: 311-312). Leader or laggard polities will, for example, be affected very differently in terms of the agency of different actors, e.g. within laggard polities policymakers might feel coerced to implement a certain policy, if a large group of other polities already have done so. On the domestic level, changes in government, policy advocacy coalitions, and their resources (e.g. grassroots mobilisation and skilful leadership) may all
change actors’ possibilities for shaping policy output to their goals (Sabatier and Weible 2014), some more decisively than others.

**Hypothesis 3a:** Changes to the relative material power of actors lead to a high degree of contestation within the policy process.

**Hypothesis 3b:** Changes to the relative material power of actors originating from the international level is less important to agency than changes to the relative power originating from the domestic level.

**Hypothesis 3c:** Changes to the relative material power of actors are more important than other mechanisms for explaining the decision to adopt policies.

The second stage of influence focuses on the strategies that actors use to influence decisions. The agency of different actors determines their capabilities and possibilities to use different strategies. These strategies may be ideational as well as power-based. Ideationally based strategies include how actors frame problems and possible policies (Baumgartner et al. 2014). By framing an issue to fit into the existing ideational landscape within a country, or the ‘national mood’ as Kingdon (2003) would call it, could for example strengthen the possibilities for influencing decisions. Another strategy could be to frame an issue so that it is seen as part of a broader international agenda, which countries feel committed to. Power based strategies include building coalitions to push for a particular policy change, or to block it. It can include both positioning to be included into decision-making processes, venue-shopping (Baumgartner et al. 2014), including different levels, and building strong coalitions that can influence decision makers from outside. These coalitions can include actors at different political levels. It is important to note that gaining access to decision-makers may take place on national level, but also on different international arenas. For EU countries, this level provides additional possibilities for venue-shopping.

**Hypothesis 4:** The most successful strategies for affecting policy output will incorporate both ideational and power based elements.

The ability of actors to use different strategies may also be influenced by external events (Baumgartner and Jones 1993; Birkland 1997; Kingdon 2003; Jenkins-Smith et al. 2014) that provide ‘windows of opportunity’ (Kingdon 2003) for actors to promote particular policies. Such events can be domestic and thus specific to the individual country or international and thus influencing several countries simultaneously. International events include price shocks and crises of different kinds, while domestic events include major economic reforms or national elections. External events does not only influence the strategies of actors, but can also be understood as enabling or spurring ideational change, as well as learning. However, we argue that the strongest impact of external events is in how they affect the possibilities of actors to use different strategies.

**Hypothesis 5a:** External events are more important than the above-mentioned mechanisms for explaining the timing of decisions.

**Hypothesis 5b:** External events can be a decisive factor for actors to successfully affecting policy output.

Agency, as well as strategies, needs to be understood within an institutional context. This context consists of background factors in terms of formal (e.g. the constitutional system) and informal rules (e.g. beliefs and norms defining appropriate behaviour), which affects the range of possible strategies to be used and ultimately policy outputs. Thus, the institutional
context can either support or constrain the agency of actors, for example through mechanisms of path dependency (Pierson 2004; Thelen 2004), including issues like the extent to which interest groups are included in the policy process. This in turn is based partly on the formal political system, and partly on political culture. Even if the institutional factors probably are important, we believe that the other factors, discussed above, are more important for deciding the policy output. The institutional context, as seen in figure 1, is rather seen as the context in which the policy process enfolds.

**Hypothesis 6:** The institutional context is less important than the other factors.

**The case of carbon pricing**

In this section, we illustrate how the theoretical framework/model could be used for studying policy-making processes in climate change policy, more specifically the adoption of carbon pricing policy. Carbon pricing is conceived as a key policy option for regulating the mitigation of climate change by putting a price on carbon emissions from economic activities and energy use. The case of climate change and carbon pricing is suitable to study using the theoretical framework outlined in the paper. Climate change is an inherently global problem and the solutions to be effective need to be coordinated internationally, at least to some level. National climate policies have, to a large extent, been driven by the international climate change negotiations—implying that the ideational change at the international level together with the perceived need to implement the international agreements have been crucial. At the same time, international developments are not able to alone explain the differences between countries.

The (empirical) objective of the proposed study is to analyse the interplay between international and domestic influences on carbon pricing policy at the national level, the mechanisms through which such influences come to affect the policy process in general and specifically the decision to adopt such policy instruments.

**The Current State of Carbon Pricing**

The pricing of carbon emissions—or, more accurately, greenhouse gas emissions—is conceived as the fundamental solution to climate change in most environmental economics literature (Pigou 1932; Jacobs 1997; Tol 2011; Sterner and Coria 2012). The basic idea behind this policy is that putting a price on carbon will contribute to internalise the social costs associated with emissions causing climate change, thus changing relative prices and exposing economic actors to financial incentives for reducing these emissions. This could be achieved by different measures, for instance by imposing a tax on emissions (carbon taxation), by creating a market price on emission rights (emissions trading schemes, ETS), or by reducing support and subsidies to activities generating emissions such as in the extraction and use of fossil fuel energy (fossil fuel subsidy reforms, FFSRs). Despite differences in design, these instruments are all considered to be economically efficient and environmentally effective means for reducing emissions as well as the dependence on fossil fuel energy. Consequently, carbon pricing has been promoted by both leading economists, economic organizations such as the IMF, the OECD and the World Bank and influential journals such as the Economist or Financial Times, as well as green economy advocates such as UNEP and environmental NGOs (e.g. WWF).

An additional implication is that carbon pricing policies, unlike most other mitigation
policies, provides sources of revenue for the public budget, a characteristic that appeals to powerful finance ministries and politicians facing budgetary constraints. In the run up to and aftermath of the Paris Agreement, which was agreed in December 2015, we could witness a surge in carbon pricing across developed and developing countries. However, in spite of the powerful advocates of carbon pricing, the actual adoption of carbon pricing policies has been uneven, and moved in ‘waves’ with different carbon pricing instruments being popular at different times (see figure 2). Carbon taxes were popular in the early 1990’s in Northern Europe countries and are currently facing a revival. Emissions trading systems gained traction in industrialised countries and emerging economies after 2005. Fossil fuel subsidy reforms have increased since 2008, but mainly in developing and emerging countries (Citizens’ Climate Lobby 2014; World Bank 2014a; World Bank 2014b; van Asselt and Skovgaard 2016). All three instruments constitute carbon pricing since they increase the price of emitting

### Figure 2. The implementation of carbon pricing instruments (i.e. tax and/or ETS) over time (WB/Ecofys 2015)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of implemented instruments</th>
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<tbody>
<tr>
<td>1990</td>
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<td>2007</td>
<td>3</td>
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<td>2008</td>
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Note: Only the introduction or removal of an ETS or carbon tax is shown. Emissions are given as a share of global GHG emissions in 2012. Annual changes in global regional, national, and institutional GHG emissions are not shown in this graph. Data on the coverage of the city-level Kyoto ETS are not accessible, so coverage is therefore shown as zero.
carbon. In spite of the recent surge in adoption of carbon pricing instruments, the global subsidies of fossil fuel use outweighs the taxation of such fuel use (Wagner et al. 2015).

While it is striking that carbon pricing is not more common given its resonance with dominant market liberal discourse (Dryzek 2013) and support from powerful international actors, even more puzzling is its uneven diffusion geographically and temporally and the variation in choice of policy instruments. Moreover, it is also noteworthy that carbon pricing has been adopted by countries with high and low emissions as well as different levels of development and environmental governance.

Outline of the study
The proposed study will focus on comparing about 15 cases (see table 1). The countries should be chosen in order to ensure differentiation in their economic development and in their level of environmental governance (see inter alia Duit 2016). The selection of cases also represents the three waves of carbon pricing diffusion (1990’s, 2000’s, and 2010’s). The reason for this selection is that we want to be able to trace possible differences in how the mechanisms work and interact between countries with high/low GDP and countries strong/weak environmental profile. Further, it enables us to test the role of diffusion among countries. We further include control cases, which have either increased their level of fossil fuel subsidies, or abandoned carbon taxes or emissions trading.

Table 1: Tentative case selection

<table>
<thead>
<tr>
<th>Case studies</th>
<th>C-Tax</th>
<th>FFSR</th>
<th>ETS</th>
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<tbody>
<tr>
<td><strong>High income</strong></td>
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<td><strong>Medium income</strong></td>
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<tr>
<td>Non-green states</td>
<td>Indian coal levy (2016)</td>
<td>Indonesia (2008)</td>
<td>China (Shanghai)</td>
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<tr>
<td><strong>Control cases</strong></td>
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The policy processes, leading to the adoption of carbon pricing instruments in the selected countries, will be studied in more detail, with focus on the mechanisms identified in the theoretical framework. The framework needs to be operationalized in a way that makes it possible to analyse 15 cases while achieving the necessary degree of detail in each case study. Especially mechanisms like ideational change and learning are demanding in this context. We aim at studying all cases using a combination of secondary sources (including information from databases), public policy documents, and key informant interviews with members of the policy subsystems involved.

The material from the case studies will be analysed using the theoretical framework and compared across all cases and different selection criteria. This will identify key international

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4 This project will only focus on subsidies that have an impact on the fuel price and not e.g. coal mining subsidies.
and domestic mechanisms influencing the adoption (or abolishing) of carbon pricing policies and how they interplay.

Concluding remarks

The theoretical framework presented here is still in its infancy. We believe that the cross-fertilization of IR and public policy theories provides a fruitful venue for studying policy output. We also believe that this cross-fertilization can go beyond what has already been done. It has the potential to further highlight the international influences in domestic policy processes, which are not excluded, but often secondary in the public policy theories dominating the field. It further has the potential to increase the nuance and complexity of studies of the international influences on national decisions. The effort to create a framework possible to use for smaller-n studies is also important in this regard. Still, substantial work remains to make the endeavour successful. The operationalization of the framework will be key, as will the elaboration of the hypotheses. The proposed study of carbon pricing provides a useful venue for further elaborating the framework and for demonstrating its usefulness.

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