



Policy Diffusion among the U.S. States

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“It is one of the happy incidents of the federal system,” U.S. Supreme Court Justice Louis Brandeis wrote in his famous 1932 dissent in *New State Ice Co. v. Liebmann*, “that a single courageous State may, if its citizens choose, serve as a laboratory, and try novel social and economic experiments without risk to the rest of the country.” This passage highlights a crucial way in which

states contribute to American governance. They are policy innovators, developing new solutions to many of the most pressing issues facing the country. Often additional states follow the example of these early adopters, enacting the same innovation in a process known as [policy diffusion](#). Why does diffusion occur? Who are the key actors who make it happen? How does the specific content of the innovation affect the process? Answering these questions can help students and citizens better understand a pivotal feature of federalism in the United States.

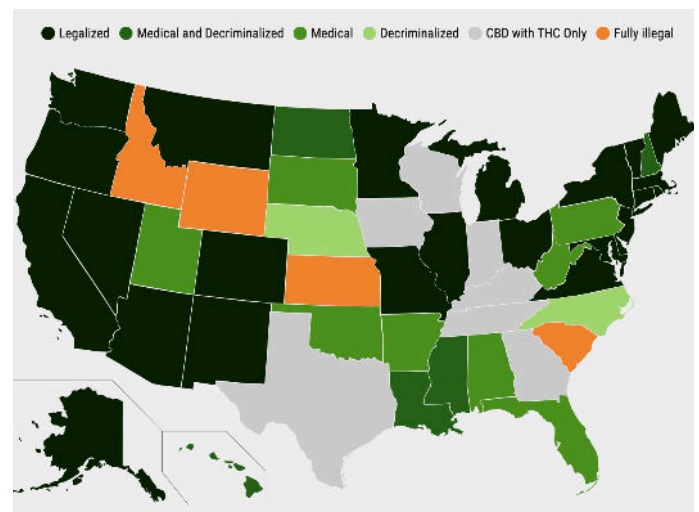
WHY DO POLICIES DIFFUSE?

States are independent actors that pursue their self-interest; yet diffusion illustrates how they also interact with one another. The conventional scholarly definition of policy diffusion—when the likelihood that an innovation will be adopted in one state is influenced by the existence of that innovation in another state—invokes this interaction. States compete, learn from each other, and often imitate each other. These varied exchanges help explain why innovative policies frequently spread from state to state.

Competition influences the diffusion process to some extent. States compete to attract businesses and grow their tax bases. Like school districts, they compete to offer attractive

government services like good schools. Sometimes competition leads state lawmakers to make decisions based on what others are doing. For example, the diffusion of state lotteries was partly driven by competition. When neighboring states offered lotteries, some states feared they were missing out on potential revenue as residents traveled out-of-state to buy lottery tickets. In response, they followed their neighbors’ examples. Competitive pressures can also make the diffusion of labor and environmental regulations less likely if lawmakers worry that affected businesses might move elsewhere to make higher profits.

Brandeis’s description of the states as “[laboratories of democracy](#)” highlights how learning can lead to policy diffusion. If a state experiment succeeds by achieving its main goals, other states can follow in its footsteps. The perceived success of an innovative policy can drive its spread, as when state officials learned about how best to cost-effectively insure poor children through the State Children’s Health Insurance Program (SCHIP) in the late 1990s and early 2000s. Learning can also be based on political, as opposed to policy, success. Lawmakers can emulate their colleagues in other states if they believe that adopting a specific policy will contribute to their reelection or otherwise advance their career.



Finally, imitation can generate diffusion. Regardless of whether a policy succeeds or fails, state officials might mimic a policy that exists elsewhere because they perceive a shared policy-relevant characteristic with that state. California lawmakers might draw lessons from New York's experiences, rather than those of neighboring Oregon, because they believe the Empire State is more similar demographically, economically, and ideologically. In our polarized political era, party cues are often especially influential. Democratic-controlled states may follow the example set by their fellow partisans in issue areas like [cannabis legalization](#) and regulation of [gun ownership](#), while Republican-controlled states might imitate their fellow partisans in adopting [voter identification laws](#) and [abortion bans](#). In either case, partisan mimicry will lead innovative policies to diffuse among the states.

WHO FACILITATES DIFFUSION?

Competition, learning, and imitation help students understand why diffusion might occur, but it is equally important to acknowledge the many different political actors who make diffusion happen. These actors operate in—or connect the decision-makers who operate in—multiple states, enabling them to facilitate the interactions that are central to diffusion.

Highly influential individuals—elected officials, bureaucrats, activists, members of the business community, and others—can transmit policy lessons across state lines. For example, executive branch officials who relocate to new states may bring innovative policy ideas with them; they also facilitate diffusion by keeping up with professional trends or by paying attention to developments in their former locations. Similarly, individuals who are passionate about a policy can launch advocacy campaigns in multiple states, as when advocates of [school choice](#) successfully placed that idea on state political agendas across the country at the turn of this century.

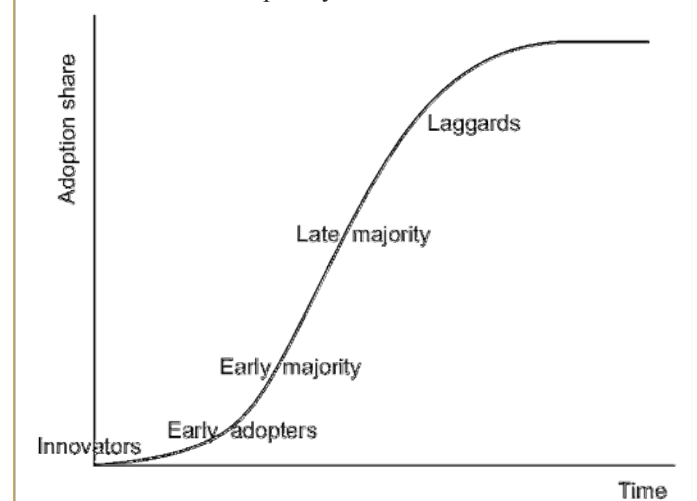
Organizations also facilitate the spread of innovative policy ideas. Professional associations like the [National Conference of State Legislators \(NCSL\)](#), the [Council of State Governments \(CSG\)](#), and many others bring together people who work in the public sector. They host conferences that help build professional networks, publish [white papers](#) and other documents that provide information about innovative programs, and operate websites that serve as information clearinghouses. These resources make lawmakers aware of what is happening in other states. For example, the [National Governors Association Center for Best Practices](#) as a “research and development firm” that “develops innovative solutions to today’s most pressing public policy challenges.”

Similarly, interest groups and other organizations often launch nationwide campaigns on behalf of policy innovations they support. Such campaigns date back to the “state strategy” of the [women’s suffrage movement](#) and efforts to promote mothers’ pensions in the early twentieth century. The driving forces behind these campaigns were often federated organizations with tight connections between their national offices and their state and local affiliates. Such groups continue to play a key role in policy diffusion, and they have been joined in recent years by more ideological organizations. The conservative [American Legislative Exchange Council \(ALEC\)](#), for example, facilitated the spread of “Stand Your Ground” laws, various immigration laws, and other novel policies. Like other organizations across the political spectrum, such as ALEC’s liberal counterpart, the [State Innovation Exchange](#), ALEC distributes “model bills” to lawmakers all over the country.

WHAT IS BEING DIFFUSED?

Remarkably diverse innovations have diffused among the states. These novel ideas touch virtually any policy domain one can imagine—education, health care, abortion, criminal justice, immigration, and many more. Sometimes innovations diffuse rapidly, as when [Amber Alert](#) laws spread to all 50 states within six years. Other novel policies spread more slowly, with the number of adopting states following the well-known “S curve” in which a long incubation period of limited adoptions is followed by a period of rapid spread and then a leveling off as laggards offer resistance.

Various features of a policy innovation affect whether and



how it diffuses. Politically popular policies, especially if they are not complex, tend to spread rapidly as lawmakers feel pressure to pursue short-term electoral benefits. Professional networks and learning, in contrast, are more likely to drive the diffusion of administrative reforms that receive less citizen attention. Competition is more likely to account for the spread of economic innovations, while



imitation may have a more profound effect on abortion regulations and other so-called “morality” policies. In sum, policy attributes influence which forces and political actors are most impactful.

It is also important to recognize that later-adopting states can customize a policy innovation to fit their specific conditions and/or to improve the policy or its implementation. They are not obligated to copy it exactly, and a one-size-fits-all solution might be inappropriate. Due to this reinvention process, novel policies take on various forms in states across the country. State laws on charter schools, early voting, enterprise zones, hate crimes, and many other topics vary widely. These differences can be profound, and they can be extended by later repeals, amendments, and modifications. The ability to customize policies is one of the benefits of the American federal system.

CONCLUSION

As an often-cited benefit of federalism, policy diffusion deserves explicit attention in civics and government classrooms across the United States. When states conduct the “novel social and economic experiments” described by Justice Brandeis, they are not operating in a vacuum. Often their peers—both policy makers and citizens of other states—are attempting to ascertain whether they should also adopt the innovative policy. Sometimes the experi-

ment is so compelling that an innovation spreads like wildfire, sometimes diffusion proceeds more slowly, and sometimes a novel idea fails to diffuse.

The innovative potential of the states is often cited as one of the major benefits of federalism in the United States. Yet many observers question whether the diffusion process is currently operating as seamlessly and efficiently as the “laboratories of democracy” metaphor implies. Lawmakers might lack the expertise to evaluate innovative ideas, or they might rely exclusively on partisan cues in deciding which paths to follow. When the spread of innovative new ideas is driven by competition or imitation rather than by learning, bad ideas might spread while good ideas might be pushed aside.

ABOUT THE AUTHOR



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