

Why a Policy Bubble is Sustainable: The Role of Institutional Context*

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Abstract

This conceptual paper suggests a crucial revision to the policy bubbles agenda, wherein some bubbles may emerge within institutional settings that support efforts by policy entrepreneurs to advance and correct distorted policy valuations, whereas others emerge in settings that inhibit efforts – other than those initiated by governments – to advance and/or correct such valuations. Institutional restrictions on policy domain transparency, public accountability, and the voicing of dissent may lead to stronger and more sustainable distorted policy valuations, and thereby, to relatively stable and self-sustaining policy bubbles. The lack of such restrictions may lead to weaker and less sustainable distorted policy valuations and, thereby, to relatively fragile policy bubbles.

Keywords: policy bubbles, institutional context, policy valuation, accountability, transparency

Introduction

The scientific study of policy bubbles – defined as sustained patterns of policy overreaction (2014a) or overinvestment (Jones, Thomas and Wolfe 2014) – is still in its infancy. Current studies point to a similar dynamic on two fronts. Regarding bubble emergence, Jones, Thomas, and Wolfe (2014, p. 150) explicitly assume that “policy bubbles are born the same way as any new policy idea,” an assumption that is implicit in Maor’s (2014a) analysis as well. Regarding bubble expansion, there is a consensus among these scholars that the key ingredient that sets off bubble expansion is a positive feedback environment. Yet, ideas and positive feedback processes are played out within institutional settings, variation of which may facilitate or inhibit bubble dynamics. Focusing on this blind spot in policy bubble research, this paper adds nuance to this emerging scholarship by building on the idea that the institutional context within which policy bubbles emerge may be key in explaining their sustainability.

Drawing on insights from the sociology of valuation, the sociology of financial markets, behavioral economics, political psychology, and political science, as well as insights from the advocacy coalition framework (Sabatier and Jenkins-Smith 1999), this paper develops a conceptual framework for the role of institutional context in the emergence of policy bubbles. The framework comprises processes that take place before the policy overinvestment becomes self-sustaining or locked in at a high level of policy commitment. It proposes that some bubbles may emerge within institutional settings which *support* efforts by policy entrepreneurs to advance and correct distorted policy valuations held by political elites and the general public, whereas others emerge in settings which *inhibit* efforts — other than those initiated by governments — to advance and/or to correct the distortion. Inhibiting features include

institutional restrictions on the policy domain transparency (e.g., secrecy laws), on public accountability and on the voicing of dissent (e.g., restrictions on freedom of expression and assembly). These features limit the opportunities for correction of policy valuations that are wildly dissociated from the instrumental value of the policy in achieving its goal. They reduce the availability of policy-relevant information that may constrain distorted policy valuations (e.g., data on effectiveness), and they increase the risk faced by policy entrepreneurs who wish to dissent from prevailing policy valuations and correct distortions. By integrating the institutional context into the conceptual framework of the emergence of policy bubbles, we gain a conceptual nuance to the process of bubble emergence. The framework distinguishes between four processes that may lead to the emergence of policy bubbles in settings which *support* efforts by policy entrepreneurs to advance and correct distorted policy valuations held by political elites and the general public, and two processes in settings which *inhibit* such efforts other than those initiated by governments. Although these processes of bubble emergence may be indistinguishable in reality, the conceptual distinction between them is crucial.

The paper seeks to enrich both the policy process and policy bubbles literature. First, the framework contributes to the policy process literature by suggesting that constraints on policy domain transparency, public accountability, and the voicing of dissent may lead to stronger and more sustainable distorted policy valuations, whereas the lack of such constraints may lead to weaker and less sustainable distorted policy valuations. Second, the framework suggests a crucial revision of the policy bubbles literature wherein stronger and more sustainable distorted policy valuations may lead to relatively stable and self-sustaining policy bubbles, whereas weaker and less-sustainable distorted policy valuations may lead to relatively fragile policy bubbles.

This understanding is important because it suggests that policy bubbles may emerge less as a result of cognitive and emotional shortcomings of individuals and more as a result of institutionally driven challenges of how to interpret policy value. If valid, this claim implies that any model of policy bubbles in which institutions do not figure prominently is likely to remain incomplete.

The remainder of this paper is structured as follows. The first section outlines two examples that illustrate the conceptual distinction proposed in this paper; the third explores the notion of distorted policy valuations and discusses their legitimation; the fourth elaborates on the variance in institutional settings within which policy bubbles emerge in terms of the opportunities faced by policy entrepreneurs for social construction of policy value and its correction; the fifth explores the processes leading to the emergence of policy bubbles within institutional settings which support efforts by policy entrepreneurs to advance and to correct distorted policy valuations; the sixth explores the processes leading to the emergence of policy bubbles in settings which inhibit efforts – other than those initiated by governments – to advance and to correct the distortion; the seventh presents the derived hypotheses and discusses the methodologies suitable for the examination of the hypotheses. The final section concludes.

Conceptual Contribution and Motivational Ground

A few salient examples highlight the conceptual contribution of this paper and the motivation behind it. One example of the emergence of a policy bubble within an institutional setting which supports efforts by policy entrepreneurs to advance and correct distorted policy valuations is the crime and punishment bubble in the United States that has been manifested by gross overinvestment in prisons and unprecedented incarceration rates even when a decline in the crime rate was recorded during the early

1990s (Jones, Thomas and Wolfe 2014). With no institutional restrictions on the operation of policy entrepreneurs, this policy bubble was the outcome of the “get tough” sentencing policies of legislators representing rural America wherein prisons became a “growth industry.” Policy value was distorted in various ways, including by fueling public fear of crime as well as by arousing punitive policy attitudes (Warr 1995; Beckett, 1997; Roberts, Stalans, Indermaur, and Hough, 2003; Enns 2016). A recent study of the adoption and modification of the three-strikes sentencing laws demonstrates that the rapid spread of these laws in the early 1990s – adopted by two dozen states in just three years – was driven by an interactive relationship between race and ideology, and not by the severity of the problem as measured by crime levels (Karch and Cravens 2014). Regarding the laws’ modification, the study suggests that stakeholders such as prison guard unions have sought to preserve the status quo (Karch and Cravens 2014), contributing to the sustainment of the crime and punishment bubble in some states.

Salient examples of the emergence of policy bubbles in contexts which inhibit efforts – other than those initiated by governments – to advance and to correct distorted policy valuations include China’s Great Leap Forward, which led to the worst famine in world history, and the Soviet Union’s collectivization plan of 1929 (Shiller 2012, 181-183). A pertinent example in a democratic context characterized by similar restrictions is the US Central Intelligence Agency’s (CIA) torture program, which operated during 2001-2006. After the 9/11 attacks, the CIA authorized enhanced interrogation techniques (EITs) (e.g., prolonged sleep and sensory deprivation, forced nudity, and painful body positions), despite the fact that EITs were considered torture by the United Nations and ample evidence that coerced confessions are of questionable legality and are often unreliable (Iacopino, Allen and Keller 2011, 34). Even the CIA’s

Counterintelligence Interrogation (KUBARK) manual observed that “in general, direct physical brutality creates only resentment, hostility, and further defiance” rather than valuable information (CIA, 1963). Not surprisingly, the U.S. Senate Select Committee on Intelligence (2014) concluded that the EITs employed in the program had been ineffective in acquiring intelligence or gaining cooperation from detainees. Yet institutional restrictions on transparency in the national security domain, on public accountability, and on the voicing of dissent by CIA employees contributed to overinvestment in this program by shielding its controversial aspects from policymakers and the general public. The interrogations of CIA detainees were found to have been brutal and far worse than the CIA had represented to policymakers. In addition, the CIA coordinated the release of inaccurate information to the media on EIT effectiveness (U.S. Senate Select Committee on Intelligence 2014).

In developing the idea advanced in this paper, I rely on the widely-accepted claim – which is evident in the aforementioned examples – that rarely in public policy is there an objective answer to questions regarding the value of policy. This is because policy problems are often products of a process of collective definition (Hilgartner and Bosk 1988) and the policies that address them are products of directional goals (Baumgartner et al. 2009; Burstein 2014) rather than accuracy goals (Kuhn 1977). Directional goals are set by policymakers, interest groups, advocacy coalitions, political parties, bureaucrats and other actors in order to facilitate or undermine the ‘selling’ of policies to political elites and/or the general public (e.g., Jacobs 2011). At the heart of the process of selling lies an attempt to endow the policy with significance by infusing it with moral value (Haidt 2012), emotion (e.g., for a review, see Maor 2016; Maor and Gross 2015), safety and cost-benefit concerns (e.g., wastefulness), and other symbolic or ideational elements (Schneider, Ingram and deLeon 2014; Conlan, Posner and Beam

2014; Boushey 2016). According to the advocacy coalition framework, ‘selling’ is undertaken by any person regularly attempting to influence policy or its meaning thereof, including, for example, a policymaker, a lobbyist and a popular comedian who regularly jokes about a particular public policy. The pertinent audiences who are expected to buy into these valuations are bounded-rational individuals who simplify their world through belief systems and are therefore prone to biased assimilation of stimuli (e.g., Munro et al. 2002). Consequently, policies may come to be under- or overvalued. If self-reinforcing processes over an extended period of time enter into the fray, a policy bubble may emerge. Attention now turns to an elaboration of the notion of distorted policy valuation and its legitimation.

Distorted Policy Valuations

Valuation is a process of “appraising in the sense of putting a value upon, assigning value to [...] [an] activity of rating, an act that involves comparison” (Dewey 1939, p. 5). *Policy valuation* is a process that aims at making public policies valued, overvalued or undervalued (e.g., Maor 2012, 2014b, 2015, 2016). In contrast to policy *evaluation*, which revolves around policy assessment aimed at “distinguishing the worthwhile from the pointless, the precious from the worthless” (Vedung 2006, p. 397), policy valuation primarily focuses on how the policy is referred to; what meaning is attached to it (e.g., Schneider, Ingram, and deLeon 2014; Schneider and Ingram 1993); or what causal story is associated with it (Stone 2002). Investing a policy with meaning involves ordering it in relation to other policies, infusing symbolic and emotional messages into it, linking it to dominant or emerging ideas, and perhaps more important, giving it significance.

According to the analytical framework advanced here, policy valuation is *distorted* when it is dissociated from the instrumental value of the policy in achieving

a policy goal. Examples include the framing of immigration policy as producing security threats, as opposed to creating businesses and jobs, and the framing of climate change policy as a hoax rather than an effort to fight a real, human-caused phenomenon. Policy valuation is subjective because it involves the process of establishing value, including determining a set of referents against which the policy is compared, negotiating about the criteria and who is the legitimate judge, and understanding the preferences and biases of those who take part in the process (Bourdieu 1993). Because the valuation process may take place at any stage of the policy cycle, the value of a public policy can be manifold, and may change across issues and over time (Miller 2007, p. 305). It may also spillover across policy domains or countries. Different policy valuations naturally come with different consequences, and those valuations which emerge as the dominant frames in the news media or legislative debates can lead to a public demand for more (or less) policy.

The central concern of pertinent policy actors wishing to attach meaning to policies is the need for legitimacy (e.g., Zuckerman 1999). Legitimacy, according to Suchman (1995), “is the generalized perception or assumption that the [meaning attached to a policy is] desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (p. 574). Legitimacy is conferred on a policy valuation when there is a widespread view that the meaning attached to a policy is ‘correct.’ If policy entrepreneurs are successful in their attempts to legitimize their (distorted) policy valuations, they accrue benefits ranging from a lack of opposition to outright endorsement. Distorted policy valuations that do not gain legitimacy “stand outside the field of comparison and are ignored [...]. It is this inattention that constitutes the cost of illegitimacy” (Zuckerman 1999, p. 1401).

To understand the process of acquiring legitimacy for a policy valuation, one has to take into account the sub-process of categorization that contributes to valuation processes (Lamont 2012, p. 206). Just as policy programs are nested within types of public policy (e.g., redistributive, distributive and regulatory), so are policy valuations. This is because valuation requires categorization or typification (Lamont 2012). For example, a policy valuation may be nested within a moral category if it is perceived as compassionate to those affected by it, or within an instrumental category if it is perceived as being able to solve the policy problem. The legitimacy of the category then helps determine whether the distorted policy valuation itself is legitimate. A category may derive its legitimacy from the quality of standards and criteria of that category, its institutionalization, the activities of policy entrepreneurs that use a solid theory of value to shape a category (e.g., the application of a theory of representation to shape the instrumental category of affirmative action policies), or its compatibility with local cultures, among other variables. Variance over one or more of these dimensions implies a hierarchy of legitimacy. For example, a category of valuation which rests on the articulation of expert advice (i.e., manifests a high quality of standards), is well-established (i.e., manifests high institutionalization), relies on a solid theory of value, and reflects a good fit with local culture will be expected to top the hierarchy of categories in the relevant policy domain. If a distorted policy valuation is placed by policy entrepreneurs in such a category, it becomes legitimate, it is made uncontroversial, and it may even become transportable across policy domains (Latour 1988; Lamont 2012).

Time is an important constraint in any attempt by policy entrepreneurs to legitimate a distorted policy valuation. With a longer time horizon, policy actors are more able to push forward a policy valuation related to the instrumental value of the

policy in achieving a policy goal, and undermine valuations characterized by a relatively high degree of manipulation. This is because it may sometimes take quite a long time to see the impact of a policy. In addition, with a shorter time scale, “cultural facts appear like objective facts” (Abbott 1988, p. 37). Thus, with a longer time scale, more effort can be exerted in “measuring what seems unmeasurable and valuing what seems beyond valuation” (Fourcade 2011, p. 1723).

The Opportunities for Social Construction of Policy Value

Why does variation in the institutional context within which policy bubbles emerge lead to variation in their sustainability? A convenient starting point for conceptually answering this question is Zuckerman’s argument that “[i]naccurate valuations are vulnerable to competition from more accurate valuations” (2012, p. 239; see also Turco and Zuckerman 2014). This argument directs attention to the institutional settings within which competition takes place amongst policy entrepreneurs over the social construction of policy value. The characteristics of these institutional settings determine the opportunities for social construction of policy value. Some institutional settings support efforts by policy entrepreneurs to advance and to correct distorted policy valuations, while others inhibit efforts – other than those initiated by governments – to do so. Here, the analytical framework is particularly concerned with three key institutional bounds: restrictions on the transparency of the policy domain; limitations on public accountability; and constraints on the voicing of dissent. The presence or absence of these institutional conditions may allow particular sorts of distorted policy valuations and strategies to be employed rather than others.

Restrictions on Policy Domain Transparency

Policy domain transparency refers to a state of affairs in which individuals are able, on a timely basis, to obtain relevant and sufficient information regarding the policy at hand in order to make informed policy investment decisions. Although transparency is increasingly important worldwide (Roberts 2006), transparency constraints such as secrecy laws are still applied in sensitive policy areas (e.g., security and international affairs) and in areas where governments are interested in shielding their operations. These constraints reduce the information that individuals have regarding the costs and benefits of a policy, decision-making processes, and the level of cooperation among policy actors, thereby inhibiting efforts by policy entrepreneurs to correct distorted policy valuations. They also undermine the ability of observers “to separate politicians’ opportunistic policy choices from ones with other motivations (whether social welfare or random)” (Alt and Lassen 2006, p. 531).

Take, for example, cooperation amongst policy actors in order to gain monetary privileges (e.g., economic rent) or non-monetary privileges (e.g., access to operational information and/or top political executives). Focusing on fiscal policy, Eslava (2011) has noted that policymakers can only engage in opportunistic behavior if voters have incomplete information about the costs of policy programs or if it is difficult for the wider public to accurately assess such costs. Where transparency is weak, an incumbent government “may actually end up generating deficits in an attempt to convince voters that they are competent providers of public goods” (Eslava 2011, p. 665). According to Forssbaeck and Oxelheim, “[t]he extent to which government officials are willing to provide information [...] regarding their decision-making processes depends partly on the extent to which they extract illegitimate private benefits from *not* doing so, that is, the level of corruption” (2015, p. 13; *italics in original*). Even if the motivations of policy actors are beyond reproach, the level of transparency in a specific policy domain

may influence the conditions of competition among policy actors (Gugler 2015). Restrictions on transparency may encourage actors to adopt ill-conceived modes of collaboration (including capture), and this, in turn, may lead uninformed individuals to make policy demands that are wildly disjointed from the instrumental value of the policy in achieving a policy goal.

Limitations on Public Accountability

Institutional constraints placed on public accountability may also affect whether a distorted policy valuation can be advanced and corrected. For example, policy effectiveness data helps map the causality between policy and impact (including both intended and unintended effects) and provides a measurable basis for demonstrating how effective government is in responding to policy problems. But this information is not always made available: Governments may complicate accountability in the delivery of public policies by “shifting executive powers and responsibilities away from the congested political-administrative centers of the state toward a host of third parties: nonprofit organizations, privatized state enterprises, networks, trans- and international organizations and semiautonomous agencies” (Schillemans and Busuioc 2015, p. 191). These constraints on public accountability significantly limit opportunities for policy entrepreneurs to promote dissenting views, thus leaving policy bubbles that are driven by distorted policy valuations unchallenged for an extended period of time.

Furthermore, just because information regarding policy effectiveness exists does not imply that policymakers will use it. Performance policies are often symbolic in nature, with little commitment to true reform (Moynihan 2008). There may be disagreements within the policy community about the legitimacy of various indicators (Rabovsky 2012), leading policy actors to view the data with distrust (Moynihan 2008;

Radin 2006). However, if more information regarding policy effectiveness is produced and made public, those who disagree with the distorted valuation are better able to voice their dissent and highlight the discrepancy between the data and the prevailing valuation. The trigger for such a challenge may also involve gains for those who disagree with the prevailing view. “A valuation entrepreneur can expect to gain if the prevailing evaluation moves in his favor (e.g., because his reputation will be burnished as a result) [...]” (Zuckerman 2012, p. 239).

Constraints on the Voicing of Dissent

One way that individuals can express their belief in the value of a policy is in terms of voice (Hirschman 1970). For example, a policy valuation can be publicly questioned either on the individual level (e.g., by filing a complaint) or on the collective level (e.g., by signing a petition). However, potential dissenters who wish to correct the prevailing public valuation or to communicate to others that ‘something is wrong’ with the policy may face institutional constraints on voice. These constraints may make individuals unwilling (e.g., because of risks in challenging the ruling elite) or unable (e.g., because of restrictions on free speech) to express their dissatisfaction with distorted policy valuations. When these restrictions are enforced, individuals who disagree with the distorted policy valuation have no option but to keep quiet, or, worse, to publicly endorse the prevailing valuation (Zuckerman 2012; Wedeen 1999). This cedes the policy domain to policy entrepreneurs who are able to promote distorted policy valuations and wish to do so (read, political executives), thus allowing bubbles to inflate unchallenged. Needless to say, such institutional constraints could also be deliberately established by governments wishing to advance their distorted policy valuation over the long term.

The discussion so far has provided varying contexts within which policy bubbles emerge. We now conceptually explore the process that gives rise to the emergence of policy bubbles in different contexts, focusing first on the emergence of policy bubbles within institutional settings which support efforts by policy entrepreneurs to advance and to correct distorted policy valuations.

Policy Bubbles in Settings of Unlimited Opportunities for Social Construction of Policy Value

In institutional settings that are characterized by unlimited opportunities for social construction of policy value, there are little, if any, restrictions on policy domain transparency, on public accountability, and on the voicing of dissent. Policy bubbles in such institutional settings are therefore the outcome of what policy entrepreneurs want in terms of attaching a distorted meaning to a policy and correcting such a meaning. The emergence of policy bubbles in such settings may derived from one or more of the following processes: (i) exogenous processes; (ii) endogenous processes; (iii) exogenous processes that ‘turn on’ endogenous processes, and (iv) manipulation of endogenous factors that ‘turn on’ endogenous processes.

Exogenous Processes

Exogenous processes refer here to external forces that influence the supply of, and/or the demand for, distorted policy valuations. Exogenous processes are unpredictable and external to policy actors. Two external factors of importance are historical events (i.e., “exogenous shocks”) and the emergence of policy ideas or paradigms (e.g., neo-liberalism, globalization, new public management, and others). Based on Hall’s (1993) assertion that exogenous shocks can set off processes that lead to ideational change, it

may be expected that some shocks could influence the supply of policy valuations that depart from the instrumental value of policies in achieving their goals. Exogenous factors can establish a new policy valuation paradigm that policy entrepreneurs could use to either introduce a new policy valuation to the menu of distorted policy valuations, or to destroy or build confidence in an existing one. They can do so through their influence on “the terms of [policy valuation] debate: they frame issues, define problems and influence agendas” (Sheingate 2003, p. 188). Exogenous processes can also influence the supply or demand for distorted policy valuations by disrupting norms and policy actors’ embedded resources (e.g., Sabatier and Jenkins-Smith 1999), as well as through their influence on policy actors’ objectives and priorities regarding these valuations.

Endogenous Processes

Endogenous processes refer here to forces internal to the participants in policy valuation processes that influence the supply of, and/or the demand for, distorted policy valuations. The prevailing approach in economics focuses on cognitive biases that lead investors to err when estimating asset values (e.g., Lamont and Thaler 2003). Notable examples include “animal spirits” (Akerlof and Shiller 2009), “euphoria” (Kindelberger and Aliber 2005, p. 99) and “fieldwide delusion” (Fligstein and Goldstein 2010, p. 34). The main approach in the sociology of regulating securities markets focuses on investors’ reliance on flawed theories of asset value (MacKenzie 2011; Zuckerman and Rao 2004). In line with these approaches, the framework proposed here focuses on three internal factors: (i) *cognitive biases*, such as overconfidence (e.g., Fischhoff, Slovic and Lichtenstein 1977; Kahneman 2003) and optimism (Weinstein 1980), (ii) *emotional*

constraints, such as anxiety and enthusiasm (e.g., Marcus and MacKuen 1993), and (iii) *ideological beliefs*.

Regarding cognitive biases, individuals may be loss-averse and therefore more likely to be convinced by policy entrepreneurs who frame a policy valuation in loss-aversion terms and depict it as protection against harms that are not addressed in the current valuation. Individuals may also tend to conform information to their group values or cultural predispositions (Kahan et al. 2009). Consequently, they will tend to react to policy that is grounded in scientific advances in a manner consistent with their opposing cultural predispositions toward technological risk generally (Kahan et al. 2009; see also Kahan et al. 2010). Regarding emotions, individuals' emotions concerning, for example, law and order policies, may allow policy entrepreneurs to push forward a distorted policy valuation that resonates with the public and appears to meet deep-seated emotional needs. Regarding ideological beliefs, individuals may continue to hold ideological policy stances even after it becomes clear that these are not supported by the data. They may therefore become overly pessimistic or optimistic and subsequently be vulnerable to attempts by policy and/or emotional entrepreneurs (Maor and Gross 2015) to advance a policy valuation that does not reflect the policy's worth in terms of achieving a policy goal. Endogenous processes allow a policy to be over- or undervalued for an extended period of time, although it is always vulnerable to attempts at correction by policy entrepreneurs.

The Links between Exogenous and Endogenous Processes

While exogenous and endogenous processes are analytically distinct, they are necessarily linked. Two links are of utmost importance. First, external events must be endogenously interpreted. Therefore, cognitive biases, emotional states and ideology

may play a role in an exogenous process which impacts the supply of, and/or the demand for, distorted policy valuations. Second, endogenous processes can be “turned on” and “turned off” by exogenous factors (Obukhova et al. 2011). Negative events, for example, elicit strong and rapid psychological, cognitive, emotional and social responses (e.g. Taylor 1991) that may lead to misperceptions regarding policy value, and therefore provide another route for the emergence of policy bubbles.

Policy Bubbles in Settings of Restricted Opportunities for Social Construction of Policy Value

Policy bubbles in institutional settings that are characterized by limited opportunities for social construction of policy value are the outcome of what governments want in terms of attaching a distorted meaning to a policy and correcting such a meaning. The emergence of policy bubbles in such settings may derived from one or more of the following processes (i) government-driven distorted policy valuations, and (ii) manipulation by government of institutional constraints, which limit opportunities for social construction of policy value, leading to the same outcome.

The case of the Central Intelligence Agency’s (CIA) torture program, mentioned earlier, highlights the ways these processes may occur simultaneously. Not only did the CIA coordinate the release of inaccurate information concerning the effectiveness of the agency’s enhanced interrogation techniques, it also misrepresented the conditions of confinement for CIA detainees to policymakers (U.S. Senate Select Committee on Intelligence 2014). Further, the CIA repeatedly provided inaccurate information to the Department of Justice, impeding a proper legal analysis of the CIA’s Detention and Interrogation Program. In addition, it actively avoided congressional oversight of the program, effective White House oversight, as well as oversight by the CIA’s Office of

Inspector General (U.S. Senate Select Committee on Intelligence 2014). All in all, the opportunities available for policy entrepreneurs to correct the distorted policy valuation communicated by CIA officials were significantly restricted, to say the least, and the opportunities available to CIA officials wishing to correct the prevailing public valuations were non-existent due to secrecy laws.

Primary Guides for Research Design and Analysis

Variation in the institutional contexts within which policy bubbles emerge may lead to distinct differences in the sustainability of policy bubbles. Specifically, the framework advanced here suggests a crucial revision of the policy bubbles literature, wherein restricted opportunities for social construction are likely to lead to stronger and more sustainable distorted policy valuations, and thereby, to relatively stable and self-sustaining policy bubbles. By contrast, unrestricted or less restricted opportunities for social construction of policy value by policy entrepreneurs are likely to lead to weaker and less sustainable distorted policy valuations and, thereby, to relatively fragile policy bubbles; even previously overconfident policy actors and bounded-rational individuals who buy into distorted valuations become skeptical after a point.

Variation in the institutional contexts within which policy bubbles emerge may also lead to distinct differences in the vulnerability of the policy system to contagion. This relationship may go two ways. State control over news media may block the news media as a channel of contagion. However, limited information regarding the policy due to state control over news media may create uncertainty that can become particularly acute in times of crisis, when people urgently seek policy-relevant information. In other words, the opacity of the policy system due to lack of information may itself be a contributor to contagion, and may lead to cascading decline in citizens'

policy confidence that would not occur if the information regarding the policy was known with greater certainty.

We now turn to research strategies which may be employed in order to comparatively test the analytical framework advanced here. Scholars need to address two questions: First, are policy bubbles really the outcome of a distorted policy valuation bolstered by self-reinforcing processes? Second, if so, what is the mechanism underpinning these processes? Scholars may detect a distorted policy valuation by gauging policy perceptions (Gilardi, Shipan, and Wueest 2016), as well as by employing structural topic models (STMs) (Roberts et al. 2014; Roberts, Stewart and Airoidi 2016). The latter method, which produces estimates of document-topic and word-topic probabilities (Roberts, Stewart and Airoidi 2016), enables a researcher to gauge which topics dominate discussion regarding the policy, and whether the topics focus on the true consequences of the policy over time. The dynamics of competition amongst policy entrepreneurs over the legitimacy of a policy valuation could be empirically gauged by employing three methods: historical analysis, political valuation analysis, and methods drawn from social semiotics and rhetoric.

A historical analysis focuses on the participation of policy actors in the construction, maintenance, expansion and destabilization of a policy valuations. The focus here is on the activity of valuation rather than on the value itself. Understanding the strategic behavior of actors (e.g., their interaction with social movements) may require an analysis of the extent to which each actor carries out each kind of activity and the extent to which these activities involve valuation. An analysis of a small number of cases, in the form of case studies or small-sample comparative design, may enable the identification of actors who are decisive in the construction and destabilization of symbolic policy values (e.g., Bessy and Chauvin 2013).

A policy valuation analysis focuses on the communicative dimension of public opinion (Schneider, Nullmeier and Hurrelmann 2007), including legitimation statements regarding policy categories as well as statements regarding policy problems, policy instruments and the target population. These statements may be identified with a stylized legitimation grammar that comprises valuation object, valuation pattern, valuation direction and the speaker/author of the valuation statement (Schmidke and Nullmeier 2011). Valuation analysis allows scholars to qualitatively analyze the linguistic structure of such statements and integrate the results into a quantitative analysis which make use of inferential statistics (Schmidke and Nullmeier 2011; Schmidke 2014). Scholars may concentrate on legitimation statements in published outlets that may refer to past, present and future legitimation, and may focus on changes in levels of legitimation. Following Yanow (2005, p. 42), other forms of multimodal communication, such as non-verbal claims (e.g., photos), could be subject to multimodal discourse analysis (e.g., Rose 2012).

Methods drawn from social semiotics and rhetoric include gauging the number of Google searches containing the word, name, metaphor (e.g., dirty oil) or label (e.g., tax-and-spend) that most accurately reflects the policy valuation or is equivalent to the relevant frame of the policy problem, the policy instrument or the target audience (van Hulst and Yanow 2014). The semiotic method can be used for both text and images in order to ascertain the contestation over the meaning of the policy (Berger and Luckmann 1966; Swidler 1986). Focusing on words, for example, scholars may undertake a search of newspaper articles for words that represent the meaning of the policy; employ computational content analysis to identify the meaning associated with the policy in these articles; and use grounded theory methods to allow meaning systems to emerge. The idea is to look for words that assign value to policy (i.e., that are paired

with the policy) by looking for semiotic contrasts, such as pro-life and pro-choice, natives and immigrants, and victims and perpetrators (Jones et al. 2012; Lefsrud et al. 2012). Using more sophisticated tools, such as lexical variation, scholars may gauge changes in meaning over time and trace changes in semiotic meaning structures (e.g., Humphreys 2010; Mohr 1998; Lefsrud et al. 2012).

Conclusions

This paper adds conceptual nuance to the emerging literature on policy bubbles by focusing on the role of institutional context in explaining the sustainability of distorted policy valuations, and the derived consequences in terms of the sustainability of policy bubbles. The hypotheses generated are that institutional restrictions on policy domain transparency, public accountability, and voicing of dissent may lead to stronger and more sustainable distorted policy valuations, and thereby, to relatively stable and self-sustaining policy bubbles. The lack of such restrictions may lead to weaker and less sustainable distorted policy valuations and, thereby, to relatively fragile policy bubbles.

Given that the term *bubble* can be appropriate if beliefs regarding policy valuation are somehow distorted, the centrality of the notion of policy valuation cannot be underestimated. This, in turn, raises two questions that require reasonable answers for the analytical framework to be considered relevant for policy process scholars: How is policy valuation different from policy attention? How is policy valuation different from policy image? Regarding the first question, policy attention refers to what is being deliberated and debated by various political and policy actors in various forums, while policy valuation incorporates the intended and unintended impact of policy on people. Two governments might devote the same amount of attention to a policy, but if the policy fails to achieve its goal in one polity, and is successful in another, this

information in itself is bound to be incorporated within the prevailing policy valuations in the respective polities. Whatever the extent of policy deliberations is, even previously overconfident and bounded-rational policy actors and individuals become skeptical after a point (read, after information regarding policy failure becomes public). The same reasoning applies in answering the second question regarding the difference between policy valuation and policy image. Whatever a policy image is, once information regarding the intended and unintended impact of policy on people becomes public, the set of facts a policy image relies upon (Baumgartner and Jones 1991) loses its relevancy, even if one changes the institutional venue of decision making. Again, even previously overconfident policy actors and individuals become skeptical after a point.

The framework proposed here may have important policy implications. At the outset, governments may face both (potentially) desirable policy bubbles (e.g., those which increase investment in infrastructures) and undesirable ones. Based on the premise that utility of policy intervention against a bubble depends on how the bubble is eliminated (Barlevy 2012, p. 54), governments have to gauge how sustainable a policy bubble is. In settings of unlimited opportunities for social construction of policy value, governments may assertively advance policy valuations that revolve around the instrumental value of the policy in achieving policy goals (i.e., increase competition amongst policy valuations), and destroy confidence in distorted policy valuations by using all rhetorical means possible. In settings of limited opportunities for social construction of policy value, governments can weaken mechanisms restricting voice, public accountability, and the policy domain transparency, so that people who want to publicly question the policy will be able to easily do so. They can also improve policy-related databases, indicators and measurement techniques, and make them more intuitive for the general public. Finally, they can identify policy actors, interest groups

and individuals who may enjoy high returns if the bubble is deflated, and facilitate their access to mass media so that they will be able to broadcast their dissent.

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