Table 3 Calculation of Convergence Scores

Similarity Score for Policy-Presence and Instruments Dimension	**(1)** **(2)**	$SP_{x,\underline{AB}} = 1 \Leftrightarrow P_{x,A} = P_{x,B} > 0$ $SP_{x,\underline{AB}} = 0 \Leftrightarrow P_{x,A} \neq P_{x,B} > 0$ $SI_{y,\underline{AB}} = 1 \Leftrightarrow I_{y,A} = I_{y,B} > 0$ $SI_{y,\underline{AB}} = 0 \Leftrightarrow I_{y,A} \neq I_{y,B} > 0$ SP_x refers to the similarity of policy x, SI_y to the similarity of instrument y, P_x to the presence of policy x and I_y to the instrument y, and <u>AB</u> to the dyad of countries A and B.
Similarity Score for Settings Dimension	**(3)**	$SS_{z,\underline{AB}} = 1 - \frac{\lvert S_{z,A} - S_{z,B} \rvert}{S_{z,90} - S_{z,10}}$ where SS_Z is the similarity of setting z, $S_{z,A}$ and $S_{z,B}$ the level of policy setting z for countries A and B and $S_{z,90}$ and $S_{z,10}$ the 90% and the 10% quantile of the empirical distribution of setting z in the sample.
Calculation of Convergence Scores	**(4)**	$CP_{x\ \Delta t1;\underline{AB}} = SP_{x,t1;\underline{AB}} - SP_{x,t0;\underline{AB}}$ $CI_{y\ \Delta t1;\underline{AB}} = SI_{y,t1;\underline{AB}} - SI_{y,t0;\underline{AB}}$ $CS_{z\ \Delta t1;\underline{AB}} = SS_{z,t1;\underline{AB}} - SS_{z,t0;\underline{AB}}$ where CP_x is the convergence of policy x, CI_y the convergence of instrument y and CS_z the changes in similarity scores of setting z, $SP_{x,t1(t0)}$, $SI_{y,t1(t0)}$ $SS_{z,t1\ (t0),}$ similarity scores at t_1 (t_0) and Δt_1 the period between t_0 and t_1.
Aggregation of Convergence Scores	**(5)**	$\sum_{x1}^{xn} CP_{xi,\Delta t1;\underline{AB}} = \frac{\sum_{x1}^{xn} SP_{xi,t1;\underline{AB}} - SP_{xi,t0,\underline{AB}}}{n-k}$ $\sum_{y1}^{yn} CI_{yi,\Delta t1;\underline{AB}} = \frac{\sum_{x1}^{yn} SI_{yi,t1;\underline{AB}} - SI_{yi,t0,\underline{AB}}}{n-k}$ $\sum_{z1}^{zn} CS_{zi,\Delta t1;\underline{AB}} = \frac{\sum_{z1}^{zn} SS_{zi,t1;\underline{AB}} - SS_{zi,t0,\underline{AB}}}{n-k}$ where *n* is the size of the subgroup of policies x_i, instruments y_i, and settings z_i and $k \in \{1,2,\ldots i,\ldots n\}$ is the number of policies, instruments, or settings with $SP_{xi,t0;\underline{AB}} = SP_{xi,t1;\underline{AB}} = 1$ ($SI_{yi,t0;\underline{AB}} = SI_{yi,t1;\underline{AB}} = 1$ or $SS_{zi,t0;\underline{AB}} = SS_{zi,t1;\underline{AB}} = 1$). The difference is weighted not by the number of policy items but with the factor 1/(*n*-*k*).