



COURSE MANUAL

E7: Policy Analysis and Implementation

Module 1 - Foundation of Policy Analysis

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About this course manual

How this course manual is structured

The course overview

The course overview gives you a general introduction to the course. Information contained in the course overview will help you determine:

- If the course is suitable for you
- What you will already need to know
- What you can expect from the course
- How much time you will need to invest to complete the course.

The overview also provides guidance on:

- Study skills
- Where to get help
- Course assignments and assessments
- Activity icons
- Modules.

We strongly recommend that you read the overview *carefully* before starting your study.

The course content

This course consists of **eight** modules. Each module comprises:

- An introduction to the module content
- Module outcomes
- Core content of the module
- A module summary
- Assignments and/or assessments, as applicable

Resources

For those interested in learning more on this subject, we provide you with a list of additional resources at the end of this course manual; these may be books, articles or websites.



Your comments

After completing Policy Analysis and Implementation, we would appreciate it if you would take a few moments to give us your feedback on any aspect of this course. Your feedback might include comments on:

- Course content and structure.
- Course reading materials and resources.
- Course assignments.
- Course assessments.
- Course duration.
- Course support (assigned tutors, technical help, etc.)

Your constructive feedback will help us to improve and enhance this course.

Course overview

Welcome to Policy Analysis and Implementation

The course, Policy Analysis and Implementation, is designed to expose learners to the theories, models and practices in contemporary policy making, analysis and implementation. The course also provides inputs on the role of legislature, the impact of international organisations and programme evaluation.

The course consists of eight modules, and is supported by case studies and assessment activities.

Policy Analysis and Implementation – is this course for you?

This course, Policy Analysis and Implementation is an elective course for students of the Commonwealth Executive MPA programme and is designed to offer exposure to policy development, analysis and implementation in public systems. This course is for you if, in pursuit of your CEMPA designation, you wish to develop analytical insights in to policy and its implementation.



Course outcomes

Upon completion of Policy Analysis and Implementation, you will be able to



Outcomes

- *explain* the policy analysis framework and the steps in the policy development process.
- *identify* the four major types of issues in policy development and their impact.
- *access* the major information sources in issues and apply search methods.
- *explain* the theories in policy analysis and distinguish between the policy analysis models.
- *discuss* the role of the legislature in policy making as well as the instruments available to governments to deliver policy.
- *analyse* the impact of globalisation from different perspectives with respect to policy and the role of international agencies in enabling developing countries in their policy effort.
- *discuss* the different approaches to policy implementation and programme evaluation.

Timeframe



How long?

This course will take approximately 120 hours of study time.

Study skills



Study skills

As an adult learner your approach to learning will be different to that from your school days: you will choose what you want to study, you will have professional and/or personal motivation for doing so and you will most likely be fitting your study activities around other professional or domestic responsibilities.

Essentially you will be taking control of your learning environment. As a consequence, you will need to consider performance issues related to time management, goal-setting, stress management, etc. Perhaps you will also need to reacquaint yourself in areas such as essay planning, coping with exams and using the Web as a learning resource.

Your most significant considerations will be time and space – the time you dedicate to your learning and the environment in which you engage in that learning.

We recommend that you take time now—before starting your self-study—to familiarise yourself with these issues. There are a number of excellent resources on the Web. A few suggested links are:

- <http://www.how-to-study.com/>

The “How to study” website is dedicated to study skills resources. You will find links to study preparation (a list of nine essentials for a good study place), taking notes, strategies for reading text books, using reference sources, test anxiety.

- <http://www.ucc.vt.edu/stdysk/stdyhlp.html>

This is the website of the Virginia Tech, Division of Student Affairs. You will find links to time scheduling (including a “where does time go?” link), a study skill checklist, basic concentration techniques, control of the study environment, note taking, how to read essays for analysis, memory skills (“remembering”).

- <http://www.howtostudy.org/resources.php>

Another “How to study” website with useful links to time management, efficient reading, questioning/listening/observing skills, getting the most out of doing (“hands-on” learning), memory building, tips for staying motivated, developing a learning plan.

The above links are our suggestions to start you on your way. At the time of writing these Web links were active. If you want to look for more go to www.google.com and type “self-study basics”, “self-study tips”, “self-study skills” or similar.



Need help?



Help

Is there a course website address?

What is the course instructor's name? Where can s/he be located (office location and hours, telephone/fax number, e-mail address)?

Is there a teaching assistant for routine enquiries? Where can s/he be located (office location and hours, telephone/fax number, e-mail address)?

Is there a librarian/research assistant available? Where can s/he be located (office location and hours, telephone/fax number, e-mail address)?

Is there a learners' resource centre? Where is it located? What are the opening hours, telephone number, who is the resource centre manager, what is the manager's e-mail address)?

Who do learners contact for technical issues (computer problems, website access, etc.)

Assignments



Assignments

There are two Tutor-Marked Assignments (TMA) in this course; each contributing 15 per cent to the total assessment of this course. The Assignments and the Final Exam are in the form of a case study. The details on the procedures for the TMAs are in the Course Guide.

The deadlines for students to submit the two TMAs can be found in the institutional guidelines as well as the LMS.

Assessments



Assessments

As the end of the semester, a Final Examination is held and contributes 70 per cent to the total assessment of this course. Hence total assessment comprises:-

Assignment 1	15 per cent
Assignment 2	15 per cent
Final Examination	70 per cent
Total	100 per cent

For more details about the Final Examination, please refer to the institutional guidelines, and the samples of the Final Examination Question Paper available in the LMS.

Getting around this course manual

Margin icons

While working through this course manual you will notice the frequent use of margin icons. These serve to “signpost” a particular piece of text, a new task or change in question; they have been included to help you to find your way around this course manual.

A complete icon set is shown below. We suggest that you familiarise yourself with the icons and their meaning before starting your study.

			
Activity	Assessment	Assignment	Case study
			
Discussion	Group Question	Help	Note it!
			
Outcomes	Reading	Reflection	Study skills
			
Summary	Terminology	Time	Tip

Module 1

Introduction

The purpose of Module One is to introduce you to the study of policy and its analysis.

- What is policy?
- Development of the policy approach
- Philosophical frameworks
- Policy analysis frameworks
- The policy process

By the end of this module you should be able to:



Outcomes

- *describe* the development of the policy analysis framework.
- *distinguish* between policy models and describe the implications of each model.
- *identify* and *explain* the steps in the policy process.
- *analyse* authentic case studies in light of the information presented in this module.

What is policy?

Definition of “policy”

The activities of government and the techniques used to make decisions regarding its activities have always been studied through various disciplines within the social sciences. However, over the last 30 years, there has been an increased interest in the analysis of policy in order to understand and improve the decision-making capacity and outputs of government.

Different uses of the word policy

The word “policy” is derived from the Greek words politeia and polic, which refer to state and citizenship, and the Latin word politia, which means “administration of the commonwealth”. Thus, policy refers to the regulation of morals, social order, safety and welfare of a “body politic” (that is, an organisation, a community, state or nation). More broadly, policy represents the principles that guide present and future decisions.

Policies may be stated or unstated, and policies may require action or non-action to achieve their purposes.



The term policy can be used to refer to specific proposals, which may be related to other proposals, or represent the “means” by which some larger purpose is to be achieved.

The word policy is most commonly used as a label for a field of activity, such as “foreign policy” or “education policy”. This usage describes the fields of government activity and involvement as opposed to any one policy. Because it usually covers past, current and potential activities, understanding policy in this context is worthwhile. However, it is not sufficient for policy analysis purposes. This definition does not differentiate policy goals from policy achievement, or policy as an action or inaction. Further, broad policy fields often overlap, so that making clear separations among the fields is difficult.

A more general use of the term “policy” is to express the broad purposes or goals of government activity in a particular field, often giving some indication of a desired state of affairs. Policy can also be used to describe the output or outcomes of government activities.

Policy can also refer to the decisions of government that may arise from a particular “moment of choice”, such as in a state of emergency. Often, in such cases, there is a need to look beyond crucial decisions and take a broader view of policy-making along a longer time horizon.

The definition of policy that we wish to use is “a course of action or inaction chosen by public authorities to address a given problem or an interrelated set of problems” (Pal, 1997). In this document, policy will have three major elements:

1. definition of the problem.
2. goals that are to be achieved.
3. instruments, interventions, or methods by which the problem is to be addressed and the goals achieved.

The probability of a decision by government being embodied in legislation or otherwise receiving formal authorisation through other policy instruments will vary according to the political structure: majority party governments can count on virtually automatic ratification by parliament, whereas a president would have to fight to mobilise support in congress or at the executive level.

Policy versus planning and strategy

As an exercise, policy is distinct from planning. To put it briefly, policy differs from planning based on the following dimensions: the scope of the inventory or data-collection phase, the constraints and elimination of alternatives, the types of documents produced, the definition of the client, the orientation towards an issue, the time horizon examined and the approach to implementing a decision.

Compare the characteristics of each below:

Table 1: Comparison of planning and policy

Planning is characterised by the following:	Policy is characterised by the following:
An extensive inventory phase , usually to collect the necessary data on the environment, existing infrastructure, demographic and economic characteristics of a situation or group;	An inventory or issue search phase limited in scope and directed at a particular issue;
An exhaustive search for alternative solutions which, nonetheless, is severely constrained, with significant alternatives being eliminated before presentation to ultimate decision-makers (that is, clients or the public);	A constrained search for alternatives which are then all usually evaluated and presented to ultimate decision-makers (clients or the public);
The preparation of a plan of action ;	The preparation of memoranda, issue papers, policy papers, or draft legislation ;
An unspecified client , for example "the public interest";	A particular client , for example a public interest group, neighbourhood, or business group, which is likely to have a particular perspective on the problem;
A subject-oriented as opposed to a problem-oriented approach and scope to problems;	An issue or problem orientation which can also be described as a reactive posture;
A longer time horizon , at minimum 10 years; and	A limited time horizon often compromised by the terms of elected officials and political, and other uncertainties; and
An apolitical approach to the process of implementing a given plan.	A political approach to the process of implementing a decision, which requires political leadership to champion a given policy.

Public interest and public policy

In an ideal world, the *public interest* would be the balancing of the different interests – both special and universal – that exist in a society. *Universal* interests or values are shared by a majority; for example, the notions of fairness and equity. *Special* interests or values are shared by segments or groups within society. For example, groups interested in protecting forests have differing views from big businesses that use and sell wood and its by-products.

However, on a practical level, public interest often reflects whatever special interest wins government support. For example, when the government implements regulations in the public interest to protect



consumers from fraud and unsafe goods and services, the real beneficiaries of the policies are often monopolies and oligopolies, since the barriers to enter their area of business are increased. Because regulations are promoted as public interest, they are difficult to remove, even if they only benefit specific interests. Governments may also act in the public interest to address the unintended, usually negative, impact of an individual's or group's action upon others; for example, the issue of pollution.

An appointed official's interpretation of the public interest is usually accredited to a political master as opposed to public servants with the government. Taylor et al. (1999) state that, ultimately, the appropriateness of all forms of government intervention in the public interest "will be value judgments based on personal standards of legitimacy, expediency and morality".

As few public domestic policies involve the participation of the government alone, Brian Hogwood and Lewis Gunn (1984) suggest that a public policy

... "at the very least, must have been processed, even if only authorised or ratified, by public agencies".

They suggest that public policy need not be significantly developed by the government, but rather that the policy must in some way have been partly developed within the framework of government.

Development of the policy approach

In the 1960s there was an increased interest and demand for policy analysis in the United States due to perceived inadequacies in government and its response to chronic problems. In addition, dissatisfactions and developments in academic disciplines emerged on the supply side of policy analysis. The United Kingdom underwent a similar surge of interest in the late 1960s and 1970s, thus leading to the development of policy as a field of study with its own set of models and theories.

Demand for policy analysis

On the demand side, although the government in both the United States and United Kingdom intervened through development of programmes to remedy social problems, such as poverty, it became obvious that there were no clear answers or simple solutions. Further, it became difficult to diagnose and define these problems, given the increasingly dynamic environment that policy-makers were expected to operate within. The policy development process was changing.

The policy process evolved into the interaction of various elements over time. These include:

- the increased number of actors involved in various stages of the policy process (for example, various levels of government and interest groups);
- the length of the policy process or cycle, (such as, at least 10 years from the emergence of a problem to the implementation and then evaluation of a programme);
- different levels of government (federal, state, local) that must implement a given policy;
- hearings and debates that expose disputes in the course of developing legislation; these can be very technical in nature but very important in informing decisions; and
- disputes over policy, often involving deeply held beliefs and values or interests, large amounts of money and authoritative coercion.

The policy process requires knowledge of the goals and values of numerous actors as well as technical, scientific and legal issues over an extended period. During this time, the actors themselves or their positions could change. Given the complexity of the process, a policy analyst must find methods to simplify and organise information about an issue or situation in order to understand it.

Dissatisfaction with the social sciences approach in problem-solving

Also in the 1960s, within some academic circles there was dissatisfaction with the limited contribution made by the social sciences to problem-solving. Critics (Hogwood & Gunn, 1989) have considered both research and teaching in this field to be overly academic and inward-looking – with more emphasis on method than on outcomes – and thus even irrelevant to real and ever-changing social problems.

According to Hogwood and Gunn, weaknesses in particular disciplines within the social sciences emerged:

- ***Political science***
In the political sciences, higher levels of generalisation in theories were being made at the cost of remote or real problems. In addition, the focus was largely on those problems that could be well-researched and quantified. Attention also focused on institutions and groups, which in reality have different processes and distribution of powers than assumed, thus rendering some analyses irrelevant or out of touch.
- ***Public administration***
Public administration was considered a stand-alone area of study (usually with a strong management bias) rather than a multi-disciplinary subject.
- ***Economics***
The concern in economics was the portrayal of the field as



“scientific”. Academics developed abstract models to explain economic issues but were regarded as ignorant of other social sciences that could provide information on the complexities of the real world and improve the usefulness of their input.

- **Management studies**
Management studies were regarded as similar to business studies. This created an assumption that business models could be used to solve problems or improve efficiencies. However, such an assumption contributed to analyses and theories that neglected the impact of political settings, underlying processes and behaviours.

Today, modern policy analysis involves a more applied and interdisciplinary approach to researching, teaching and training. The next section includes a discussion of the approach to policy analysis in terms of philosophical frameworks for analyses.

Philosophical frameworks

In order to understand the complex world around us, we seek out patterns to interpret information. Graham Allison (1971) suggests that we carry around “bundles of assumptions” or “basic frames of references” when we ask and answer questions. Similarly, politicians, administrators and social scientists may also be limited by assumptions and perceptions when developing and implementing policies.

The use of models

Bullock and Stallybrass (1977) define a model in its simplest terms as “a representation of something else, designed for a specific purpose”. Consider the following three types of models: descriptive, normative and ideal.

Descriptive models

Descriptive models are derived from material objects or social phenomena. Their purpose is to provide a visual aid for understanding something, whether it is tangible (for example, a model aeroplane) or intangible (a process). These models are also used to test effects of various conditions applied to them to see what could happen under varying circumstances.

These models assist in the description, explanation and understanding of an object or issue. They also provide a basis for prediction, experimentation and testing hypotheses. The more complex the object or phenomenon to be modelled, the greater the selectivity, simplification and generalisation will be in creating the model.

Normative models

Normative models attempt to define what is desirable or to be emulated, such as a “model family” or “model citizen”. Normative models seek to

present what ought to be, as opposed to what is. They are prescriptive rather than descriptive in their output.

Ideal type models and the rational approach

Models can also be used to explore new concepts. *Ideal type models* do not try to capture events as they exist in the real world, but they can help us understand real-life phenomena and define the direction we would like to move towards.

Ideal type models improve our understanding of the real world, which is described in terms of deviations that occur in reality from the ideal type model. Ideal type models can also have prescriptive utility. That is, having described the real world, one can ask how satisfactorily the ideal type model applies. Examples of ideal type models include the notions of “perfect competition” and “pure rationality”. These models are not normative, as they are not intended to prescribe any particular activities or ideals in themselves.

While ideal type models are tools for learning and understanding, the ideal type rational approach in the context of policy analysis examines what decisions would be made if policy-makers were capable of being completely rational. The two main approaches associated with developing ideal type rational models are:

1. the consideration of values and options together; and
2. setting objectives first and then examining only those alternatives that satisfy the predetermined objectives.

The ideal type rational approach of considering values and options together relates the consequences of all options to all values rather than pre-specifying objectives. This approach is used in economics as the basis for utility and social welfare functions. It also provides the theory inherent to *Cost-Benefit Analysis* (CBA) used in decision-making.

The ideal type rational approach of setting objectives before developing options is most commonly supported by the managerial approach to decision-making. In this approach, values are defined and ranked at the outset and objectives are specified that are compatible with these values. A combination of options that maximise the values defined as most important would then be selected.

Policy analysis frameworks

Now that you have looked at three types of models of analysis, consider the following six different *policy* models by examining their characteristics and implications. The six models are: rationality, incrementalism, mixed scanning, public choice, socio-economic determinants model and the Marxist analysis.



Rationality

The *comprehensive rationality* model suggests that policies are developed through a multi-step analysis before decision-making.

In this process of analysis, a decision-maker:

- is confronted with a problem that can be separated from other problems or is considered meaningful in comparison to them;
- develops goals, values and corresponding objectives, and ranks them in priority;
- develops and examines alternatives;
- investigates and compares the consequences of alternatives, including full costs and benefits, and advantages and disadvantages; and
- will select the alternative that maximises the attainment of goals, values and objectives.

The benefit of this decision-making model is that it lays out a process that can be consistently applied to different decisions. Techniques used to analyse alternatives include *operations research*, *cost-benefit analysis* and *cost-effective analysis*.

The foremost criticism of models of rational decision-making is that they are unrealistic and impractical, given limited resources and the inability to examine all options and consequences. An attempt to use the comprehensive rational approach may result in over-analysis and, as such, the model is sometimes dismissed as “paralysis by analysis”, meaning that so much time and resources are spent analysing that decisions are not made and the policy development process does not move forward. A related criticism is that rational models, in practical terms, are insufficiently dynamic; that ongoing, continuous, perfect knowledge is not possible given external and unpredictable factors that will result in deviations from anticipated consequences.

One response to this criticism is Herbert Simon’s model of *bounded rationality*, which takes into consideration the limitations on human abilities given time, resources, organisational and situational constraints, and the real-world practice of choosing satisfactory as opposed to ideal solutions to problems. The limitations serve as boundaries that define the search for alternatives. Bounded rationality or optimal policy-making uses the process identified by the comprehensive rationality model, but instead of searching for all possible alternatives, it only searches for options within a limited range. Here, the best possible policy is not sought, but rather the optimal policy within the boundaries specified.

Another important criticism questions the role of values in rational models by asking how and by whom are the assigned values selected and weighted with respect to one another. In democratic, pluralistic societies, it can be very difficult to rank goals, values and objectives in order of

priority due to many competing points of view, which cannot easily be reconciled.

However, this criticism may be a misguided attack on the rational model, as the model only seeks to identify the procedure and the arguments for decision-making. It does not guarantee the desirability, feasibility, or validity of the specific decisions or outputs of the procedure, as these depend upon the inputs to the model. Inputs include values and priorities, which must be determined outside the model using other mechanisms, such as political means.

Due to the limitations and problems mentioned above, the concept of comprehensive rationality is not applied in full form very often in practice.

Incrementalism

Charles Lindblom (1959) argues that the comprehensive rationality model is not only impossible to achieve, but also that policies are rarely changed radically as a result of even extensive reviews. Essentially, Lindblom suggests that the rational model neither serves effectively as a normative nor as a descriptive model. Instead, he argues, in the real world decision-makers change policies incrementally by successively selecting alternatives that make marginal improvements to the status quo, as this is more acceptable to those affected by them. Policy, according to Lindblom, is developed over a series of decisions and iterations.

Lindblom also suggests that the model of *incrementalism* is not only descriptively accurate but also normative. This is based on the belief that policy changes must first be accepted by existing organisations and client groups in order to take hold and be implemented. If new policy recommendations are not acceptable to established players, they will be difficult to implement. Thus, in the Lindblom model, the test for the worth of a policy is its acceptance by the most relevant players and not its objectives as proposed by the rational model.

Critics of the incremental model argue that incrementalism goes too far in enforcing the status quo; that is, if the status quo were sufficient, then there would be no need to search for improvements. The model assigns too much power to the established order at the potential expense of the needs of those who are not in organised groups.

Another criticism is that incrementalism is not well suited to deal with decisions that are “all or nothing”, such as going to war, legalising abortion, or capital punishment. Further, the model does not lend itself to addressing new problems, as there may be no base to work from. For example, the model is not as useful dealing with policies affected by new technologies or scientific discoveries such as genetic engineering.

However, Lindblom has noted that while most policy decisions are incremental in nature, some very important decisions are not. Given the limitations of incrementalism, a more comprehensive and feasible



approach to decision-making would need to integrate aspects of both the incremental and rational models.

Mixed scanning

Amitai Etzioni developed the *mixed scanning* model, which provides a different way of combining rationality and incrementalism to the bounded rationality model. Etzioni argues that governments essentially make two main kinds of decisions: fundamental and incremental.

Fundamental or *contextuating* decisions are radical changes in policy. Decision-makers selectively explore key alternatives that are viewed as in line with conceived goals. However, unlike the rational model, the mixed scanning model eliminates specifics to enable an overview of the issue. This overview spans a longer time horizon than the incrementalism model alone.

Incremental decisions, on the other hand, pave the way for future fundamental decisions or fine-tune existing fundamental decisions after consequences and weaknesses have been identified. Incremental decisions are made within the context of fundamental decisions, thus reducing the unrealistic aspects about the assumed ease of implementing policy changes as exhibited by the rational model.

The mixed scanning model, which is used quite extensively, attempts to integrate the incremental and rational decision models. The remaining models do not rely as heavily on the concepts of rationality and incrementalism.

Public choice

The *public choice* model is a relatively new policy-making model. Public choice can be defined as “the economic study of non-market decision-making, or simply the application of economics to political science” (Mueller, 1979). Instead of explaining how supply and demand for goods and services interact in the economic market, public choice defines its market in terms of votes for specific public policies.

The base of this model is that the public is comprised of self-interested, utility-maximising individuals. The model attempts to explain collective decisions in terms of these utility-maximising individuals. Citizens not only vote, but they can also participate in the political process by other means. However, Breton (1974) suggests that individuals will only begin to participate in the political process when the results of government actions result in greater costs than benefits to them. In this way, the nature and intensity of efforts to organise politically are a function of the distance between these perceived costs and benefits.

In the hunt for votes, politicians are advised to stay away from voters committed to either side of an issue and, instead, focus on swaying undecided voters, as this is a more efficient use of resources.

The public choice model can also help explain the actions of public servants who seek to increase the size and scope of their departments for status and power. It also illustrates the interrelationships between different groups in the policy process, such as politicians, bureaucrats, special interest lobbies and media groups. Hartle (1976) describes the theory of public choice as a series of interlocking and interrelated games among these groups that, on one hand, all need each other to effectively fulfill their roles but, on the other hand, don't have equal positions of power. The balance of power among groups depends on the issue at stake and the different possible outcomes.

The public choice model does have its problems. For example, it lacks the ability to test the belief that individuals act on selfish and utility-maximising behaviour, since this subjective aspect cannot be measured. Another shortcoming of the model is that while it acknowledges the self-interest of decision-makers, it is unable to keep track of the public interest. Also, because of the numerous public actors and potential conflicts and power struggles, it is difficult to predict behaviour.

Socio-economic determinism

This model of public policy suggests that policies are developed in response to changes in the socio-economic environment of a society. Individual and group action may exist, but is limited by the constraints of the environment.

Studies in both the United States and Canada have indicated that socio-economic variables are more important determinants of public policy than political ones as expressed through party platforms, histories, or ideologies. Richard Simeon (1987) points out that while environmental factors move issues to the forefront of the policy agenda, they do not in themselves determine the response, action or inaction, to the issue. Please refer to Figure 4: Traditional "Politics" Model and Figure 5: Socio-Determinants Model to see a graphical comparison between the two models.

In fact, all political parties are more likely to be influenced by general social trends than by their ideologies. The reason for this is that once a political party wins power in government, it is faced with similar environmental constraints to those faced by previous governments. The *class analysis* or *Marxist analysis* of the state also notes the importance of the socio-economic environment.

Class analysis (Marxist analysis)

The *Marxist* approach to understanding society is that it is organised and divided on the basis of conflict between different classes. It is believed that the ultimate role of the capitalistic state is to protect and further the interests of the elite economic class. Neo-Marxists suggest that there are three roles of state:

1. fostering accumulation;



2. legitimisation; and
3. imposition of social order.

According to the model of Marxist analysis, the main role of the state is to assist capitalists in *accumulating* wealth. The state may do this by offering subsidies, grants and loans to corporations to encourage development, by discouraging unionisation, or through inaction to enforce environmental or labour safety measures.

However, Marxists also argue that capitalists need to be saved from themselves, as too much power leads to exploitation and labour revolt. Therefore, the state also works to *legitimate* the existing system by providing subordinate classes with benefits that reduce their dissatisfaction with the inequalities produced by the capitalistic economy. Benefits include social welfare policy to promote social harmony. Should the benefits provided to legitimate the system be insufficient to keep labour in line, then the state will use coercion to *impose* the social order through enforcement of laws limiting labour power, such as legislation restricting unionisation.

In the Marxist analysis, the role of the state is to act as an intermediary between the classes. However, the state will always hold the long-term interests of the capitalist class. Essentially, the state would want to have autonomy from all classes because, in order to serve the long-term interests of the elite class, it would also have to save it from its own greed and exploitation.

Review the following summary of the different public policy models and note the main characteristics and implications of the various models discussed.

Table 2: Summary of policy models – characteristics and implications

Model	Characteristics	Implications
1. Rational	<ul style="list-style-type: none"> • Full cost-benefit analysis • Cost-effective analysis • Zero-based budgeting approach 	<ul style="list-style-type: none"> • Complete information • Clear goals and objectives • No sunk costs • Predictive capacity
2. Incremental	<ul style="list-style-type: none"> • Continues past actions • Modifies existing activities 	<ul style="list-style-type: none"> • Recognises: <ul style="list-style-type: none"> ○ Limited information ○ Predictive capability ○ Sacrificing behaviour • Slow to respond to change
3. Mixed scanning	<ul style="list-style-type: none"> • Applies rational model to selected issues 	<ul style="list-style-type: none"> • Success depends on choosing correct issues • May miss issues linkages
4. Public choice (game theory)	<ul style="list-style-type: none"> • Decisions based on the greatest utility, the sum of market votes • Every group (for example, bureaucrats, politicians, voters, media and special interest groups) has own self interest 	<ul style="list-style-type: none"> • Loses track of public interest • Public policy is seen as a series of interlocking games • Acknowledges self-interest of decision-makers • Difficult to predict behavior
5. Socio-economic determinism	<ul style="list-style-type: none"> • Policies evolve in response to socio-economic environmental pressures • Pressures are globally inter-related 	<ul style="list-style-type: none"> • Limits ability to develop public policy based solely on ideology
6. Class (or Marxist) analysis	<ul style="list-style-type: none"> • Class exploitation • Three roles of the state: <ol style="list-style-type: none"> 1. Foster accumulation 2. Legitimation 3. Impose social order 	<ul style="list-style-type: none"> • May explain selected aspects of public policy decision-making (such as the justice system)

The policy process

Policy as a process

Policy is developed through a series of decisions. It is a continuous, dynamic process that in the simplest description has three main activities: formulation, implementation and evaluation. Feedback can occur at any stage once there is enough experience to make improvements.



Policy is also seen to be a process as it is closely related to political systems and their processes. Like political systems, policy focuses on the interactions among the participating actors and organisations. At the same time, policy as a process is subjected to socio-economic and other environmental constraints. By using a process approach to studying policy, you can create a framework that is flexible to the integration of new knowledge. Please refer to Figure 1: Simplified version of the policy process, Figure 2: More realistic version of the policy process, and Figure 3: The continuous and messy nature of the policy process for various graphical representations of policy as a process.

There are, however, a few limitations to viewing policy as a process.

- The type of policy model being used should be identified (that is, descriptive, normative or ideal-type) as the use of different models leads to different outputs.
- There is a possibility that the process may limit one's conceptualisation of an issue and instead result in the imposition of an historical method of doing things.
- There is a risk that clearly defined stages of the policy cycle will suggest that the process is self-contained and complete when realistically this is not the case.

Nonetheless, the examination of policy as a process or framework is useful in learning, understanding and making improvements to policy development and analysis.

Steps in the policy process

Review the steps or stages in a standard policy process. It is not necessary that all issues be processed exactly as ordered or in the distinct steps listed. The policy process or cycle can be summarised into eight different steps (Hogwood & Gunn, 1984, p. 4):

1. issue search, agenda-setting and issue filtration.
2. issue definition.
3. constructing alternatives.
4. selecting and establishing evaluation criteria.
5. forecasting/projecting outcomes.
6. analysis of policy options.
7. policy implementation, monitoring and control.
8. policy evaluation and review (which includes policy maintenance and succession).

You will explore each of these stages in greater detail in Module Two – Policy formulation process: the process, structure and context of policy-making.

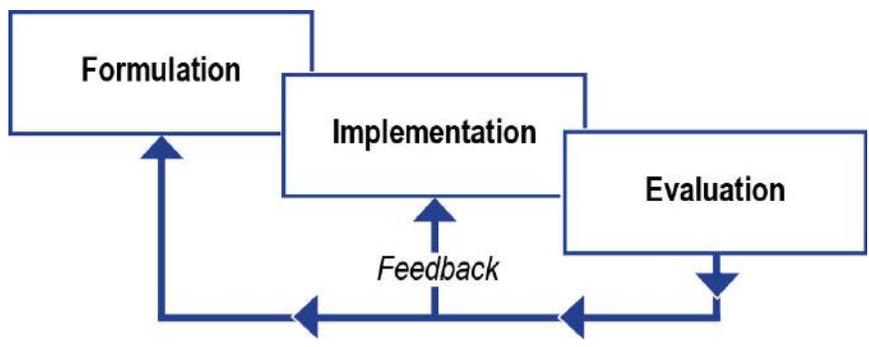
Maps of the policy process

Figures 1, 2 and 3 offer graphical representations of the policy process.

Figure 1: Simplified version of the policy process

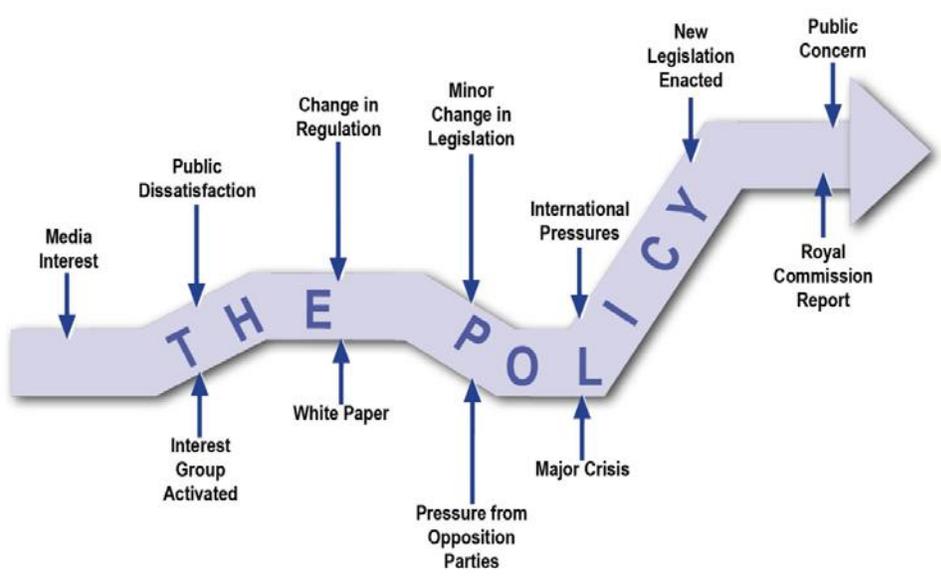


Figure 2: More realistic version of the policy process



Source: (Kernaghan & Siegel, 1999, p. 126)

Figure 3: The continuous and messy nature of the policy process



Source: (Kernaghan & Siegel, 1999, p.126)



Map of alternative models of policy-making process

The following models may also be useful to help you understand the policy-making process.

Figure 4: Traditional “politics” model

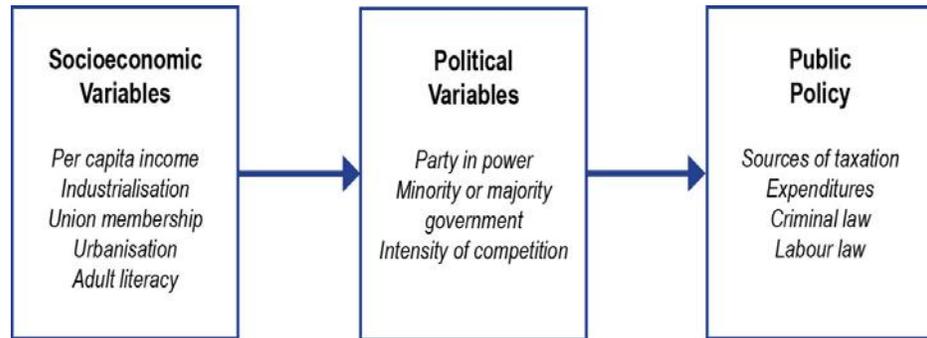
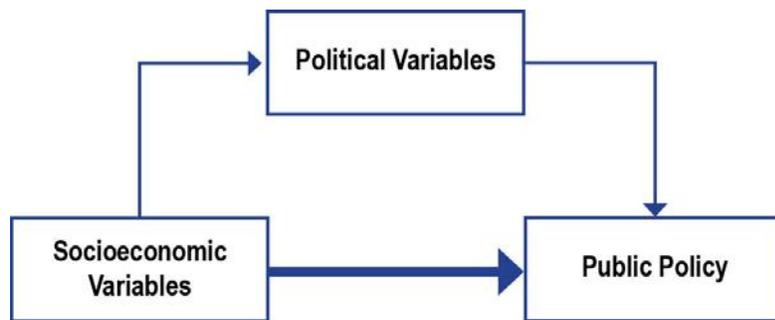


Figure 5: Socio-determinants model

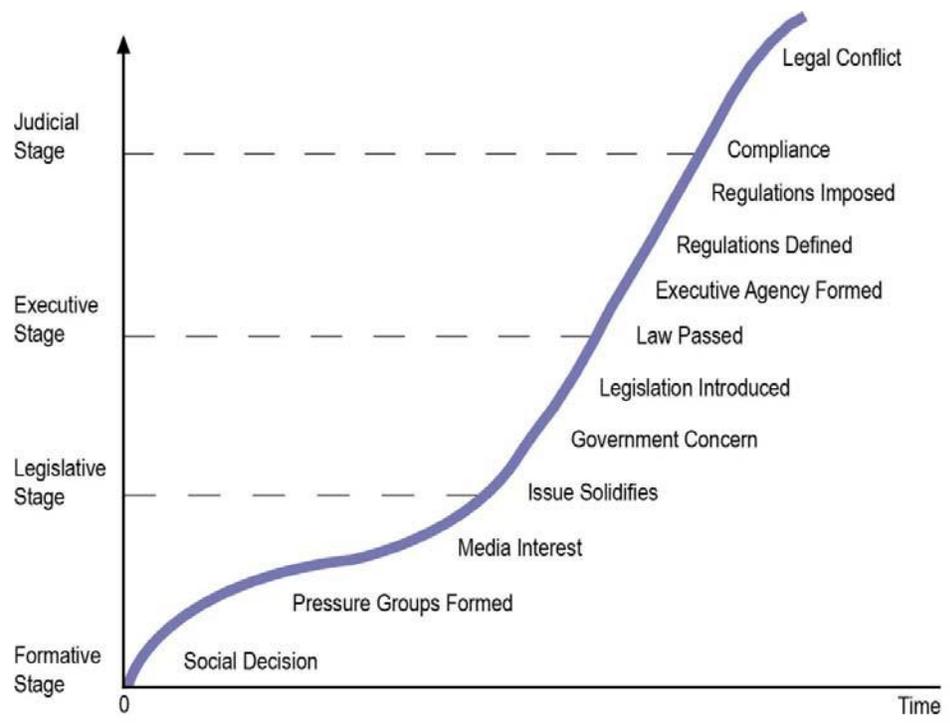


Source: (Kernaghan & Siegel, 1999, p. 140)

The issue/policy life cycle

Figure 6 provides a graphical illustration of the stages of a process over time.

Figure 6: The issue life cycle



Module summary



Summary

Your goal in reading through this module has been to gain an introduction to the study of policy and its analysis. To begin, policy was defined as “a course of action or inaction chosen by public authorities to address a given problem or an interrelated set of problems” (Pal, 1997). Interest in policy analysis experienced sustained growth in the 1960s and 1970s in the United States and United Kingdom for two main reasons:

1. to better understand problems in light of the failure of government policies to succeed as anticipated; and
2. dissatisfaction with contribution of the traditional social sciences to problem-solving in public policy.

Public interest is ideally the balancing of the different interests – both special and universal – that exist in a society. Universal interests or values are shared by a majority while special interests or values are shared by segments or groups within society. However, on a practical level public interest often reflects whatever special interest wins government support. One definition of public policy is that, at the very least, the policy must have been processed, even if only authorised or ratified, by public agencies.

Next, you looked at how policy was a distinct and separate exercise from planning. Policy was shown to be different from planning on seven dimensions. Policy was characterised by:

1. limited issue searches.
2. limited evaluations of options.
3. preparation of policy papers.
4. specified or particular clients.
5. issue or problem orientation.
6. limited time horizons.
7. a political approach to implementation.

In this module you encountered several types of models. First, there were three different types of models for analysis: descriptive, normative and ideal-type. Descriptive models provide a basis for prediction, experimentation and hypothesis testing of tangible and intangible objects or phenomena. Normative models attempt to define what is desirable or to be emulated and are prescriptive in nature. Finally, ideal-type models provide a theory which can be used to understand the real world by way of examining the deviations of the model from reality.

Six different models of policy were examined briefly: rationality, incrementalism, mixed scanning, public choice, socio-economic determinism and class or Marxist analysis.

Finally, you were introduced to eight steps in the policy process. You will see the steps again in greater detail in Module Two. They are:

1. issue search (agenda setting) and issue filtration;
2. issue definition and collection of evidence;
3. constructing alternatives;
4. selecting and establishing evaluation criteria for decision-making;
5. forecasting or projecting outcomes;
6. analysis of policy alternatives;
7. policy implementation, monitoring and control; and
8. policy evaluation and review (which includes policy maintenance and succession).



Self-study questions



Study skills

1. Policy analysis is finding out what governments do, why they do it and what differences – if any – it makes. What can be learned from policy analysis? Why is policy analysis important to any government?
2. How much government intrusion into daily life is acceptable? Is the reduction in personal freedom worth the benefits that the policy provides to society? What types of policies are acceptable and unacceptable in your country? Is this the same in other countries?
3. Do you agree with the logic of collective action, why? What do you think people gain by participating in interest groups like humanitarian clubs or environmental groups that may influence public policy?
4. For what types of policy issues should equity be a primary concern? How would you evaluate equity concern?

References and further reading



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