Lecture goals: Introduce a range of issues surrounding the analysis of public policies, emphasizing especially how difficult this can be when civic groups get involved!

The tobacco settlement is, for me, perhaps the paradigmatic example of irrational, even obscenely irrational public policy. My take on it goes something like this:

- Tobacco is, literally, more American than apple pie, having been introduced to the world by indigenous Americans.
- Oddly, it turns out that if you inhale the smoke from burning vegetation, it is bad for your lungs. I blame the Boy Scouts for the delay in getting this information out. They have known for decades that when you sit on the downwind side of a fire, it is unpleasant, causing coughing, and black boogers. Yet they didn't tell anyone. Coincidence, or conspiracy!!!
- Since early in my life, though, the harmful effects of sucking smoke into your lungs has been known. The US Surgeon General mandated that cigarette packs carry the text: "Caution: Cigarette Smoking May be Hazardous to Your Health" since 1966. I (born in 1959) remember this!
- But like many other potentially harmful activities (over-eating, not exercising, fighting wars on maxed-out credit cards, cheap gas, etc.) cigarettes weren't banned.
- Fast forward 30-40 years: class action lawsuits began to be filed against the tobacco companies. They were accused of hiding the fact that tobacco is harmful? As indicated, I find this all hard to believe, given those warning signs on the cigarette packs. So if big tobacco was trying to hide the harmful effects of tobacco, they were doing a bloody awful job of it. But our first interest group enters the scene: trial lawyers, smelling big payoffs.
- A second interest group entered the scene shortly after: state governments. They got on the sue-big-tobacco bandwagon on the argument that they had incurred massive costs in providing the health care for people stricken with tobacco-related disease.
So even though these governments allowed the sale of these products known to be harmful, and reaped huge amounts of revenue in taxing cigarettes, they joined these lawsuits to get paid back for these health costs.

- A third interest group was, broadly, anti-smoking fascists. These are trendy-lefty sorts who, for whatever reason, have decided that tobacco, this ancient crop that was part of indigenous American spirituality and culture, is bad. Its use should therefore be severely curtailed. Marijuana, on the other hand, is fine for these folks and should be decriminalized, because, well, it just should.

  - Many of these anti-smoking sorts became a fourth interest group, as they got lucrative jobs working in tobacco cessation programs, in which a bunch of dourly dressed adults tell kids that smoking is for squares, man.

- Of course the 'tobacco settlement' awarded kajillions of dollars to the plaintiffs: state governments. The trial lawyers took their cut, kajillions of dollars as well.
  
  - Yet who is to bear the costs: smokers themselves, of course! Tobacco companies have hiked their prices to the victims, to pay the state governments (and trial lawyers) for the costs of health care that the state governments (but not the trial lawyers) have incurred in treating smoking-related illness.
  - And yet America has no 'socialized' health insurance system, so a smoker who becomes ill, but isn't covered by Medicare or Medicaid, will not have her/his costs paid even though the state governments won a settlement based on the need to cover the costs of tobacco-induced illness.
  - The state governments, meanwhile, have been pissing away the tobacco settlement money as fast as it comes in, occasionally even selling the future rights to tobacco settlement revenues in exchange for short term cash.

- Is this not just the wackiest public policy one can imagine?
  
  - I can imagine only one thing that would make it wackier: the same lawyers who won the kajillion dollar settlements that taxed smokers to pay for their health care costs, will now file new class action lawsuits on behalf of the smokers, suing state governments for wasting all that money.

**Policy formulation**

As indicated, policy analysis is something done in the 'formulation' stage of our model of the policy process. 'Formulation' was further divided into estimation and selection. By 'estimation' we mean analysis: gathering data and 'estimating' the parameters of the problem, the likely impact of some possible solutions, etc. To repeat the description of these sub-stages:

*Estimation:*

"Estimation continues work begun during initiation: systematic investigation of a problem and thoughtful assessment of options and alternatives are its characteristic tasks. Specifically, estimation concerns the accurate determination of all likely costs and benefits that are expected to flow from decisions taken during the subsequent, or selection, stage of the overall process. Consideration is given both to the probable consequences of positive action and to those expected to result from inaction, whether intentional or not. Estimation efforts aim to reduce uncertainties about possible choices to the greatest extent possible, given time, intellectual, and other constraints" (Brewer and deLeon 1983, p. 83).
There are some common elements (or steps) to this process (from Patton and Sawicki 1993):

- Verifying, defining and detailing the problem.
- Establishing evaluation criteria.
- Identifying alternatives.
- Evaluating alternative policies.
- Displaying alternatives and distinguishing among them.

**Selection:**

"Most simply, selection is the choice among policy alternatives that have been generated and their likely effects on the problem estimated. It is the decision-making stage of the policy process. It is the most overtly political stage insofar as the many potential solutions to a given problem must somehow be winnowed down and but one or a select few picked and readied for use. Obviously most possible choices will not be realized and deciding not to take particular courses of action is as much a part of selection as finally settling on the best course. Many individuals and groups are certain not to get what they want or only obtain substantially modified versions of their preferences as a result of the consensus building and conflict resolution inherent in politics" (p. 179).

**Policy formulation and approaches to governance**

Policy formulation is actually a critical area in which differences are evident in the respective perspectives on civil society and public policy we are discussing in this class:

**The Bureaucratic approach:**

"This is why there should be a science of administration which shall seek to straighten the paths of government, to make its business less unbusinesslike; to strengthen and purify its organization, and to crown its duties with dutifulness. This is one reason why there is such a science" (Wilson 1887, p. 201).

In this model, policy is formulated by clever policy analysts, with their MPA degrees, their slide rules, and their pocket protectors.

**The market-based network approach:**

“Human action is necessarily always rational... The ultimate end of action is always the satisfaction of some desires of the acting man. Since nobody is in a position to substitute his own value judgments for those of the acting individual, it is vain to pass judgment on other peoples' aims and volitions. No man is qualified to declare what would make another man happier or less discontented.” – Ludwig Von Mises, *Human Action: A Treatise on Economics* (1949).

In this model policy isn't so much formulated, as it results from the aggregated decisions of consumers and/or market forces.
The dialogue-based network approach:

"We argue that public servants have a central and important role in helping citizens to articulate the public interest, and, conversely, that shared values and collective citizen interests should guide the behavior and decision making of public administrators" (Denhardt & Denhardt 2007, pp. 77-8).

Here, policy is formulated through a process of dialogue between citizens and government. In the comments below I'll focus more on some of the limitations of the public bureaucratic approach, in terms of the limits of analysis.

The limits of analysis

Given that we are looking at policy analysis, it is worth thinking a bit more about just how rigorously one can analyse many policy issues. One of my favourite all-time books was Alan Cromer's (1993) *Uncommon Sense*, the central argument of which was that

"...scientific thinking, which is analytic and objective, goes against the grain of traditional human thinking, which is associative and subjective. Far from being a natural part of human development, science arose from unique historical factors. And viewed against the thousands of years of human existence, science is very recent" (pp. 3-4).

Within the field of public policy/administration, Charles Lindblom similarly mocked the field: "In the last century thousands of social scientists trying to practice methods much like those of the natural sciences have swarmed over institutions and social processes to try to extract exact propositions hidden to the lay mind. For all that effort and for all its presumed usefulness, I cannot identify a single social science finding or idea that is indispensable to any social task or effort" (1990: 136).

Though Lindblom has been one of the more productive extractors of propositions in the social sciences, so presumably he doesn't think it a wholly dispensable project. Along with new co-author Ed Woodhouse, to draw on another book that I haven't assigned this semester, Lindblom (1993) provides fodder for the first part of this lecture. Lindblom and Woodhouse start (in chapter 2) pointing to the ubiquity of policy analysis, yet question why politics so often seems to throw analysis out the window:

Fallibility:

- "A first obstruction to reasoned argument is that any failures in logic by even one participant will bring the collectivity to disagreement" (p. 17).

- "Analysis also is fallible in more blatant ways in that much of it is poorly informed, superficial, or biased -- not infrequently making shoddy attempts to prove by specious means what someone in power has already decided to think" (p. 17).
  - Poorly informed: how good of a public debate can we have about globalisation when a strong majority of Americans know next to nothing about the world? See also Gerston's (p. 59) discussion of how ill-informed many Americans are about even simple matters like the workings of government.
  - Superficial: to use gun control as an example...
• The anti-gun control people superficially focus on those rare examples when someone pulls their six shooter and wards off a bad guy.
• The pro-gun control people also seem to superficially assume that if you outlaw guns, then they will no longer be a problem. You know, like meth and crack and prostitution and theft and...
• Biased: on a wide range of hot-button issues, both conservatives and liberals (not to mention folks with other ideological predilections) adopt positions based not on facts, but on underlying ideological biases (they might refer to them as 'principles'). For example:
  • No small part of the opposition within the US to the nation-building experiment in Iraq was motivated by anti-Bush sentiment.
  • No small part of the international opposition to the current US-led nation-building experiment in Iraq was motivated by anti-Americanism (with this further fueled by anti-Bush sentiment, as Bush represented pretty much everything anti-Americans claim to loathe about the US).
• On anti-Americanism: see link, from Jean-François Revel.

Too much/little information -- "when one authority offers a finding or recommendation on policy and another immediately disputes it, people often do not know whom to believe" (p. 18-19).

• This was in The Economist, in an article on global warming:
  "The argument is peopled by big characters: James Lovelock, a British scientist who believes that mankind has fatefuly unbalanced the delicate mechanisms of a world he calls Gaia; Bjorn Lomborg, a hyperactive Danish statistician who believes that scientists are twisting figures to scare people; Arnold Schwarzenegger, the governor of California, whose mission is to terminate climate change; and James Inhofe, chairman of the environment and public works committee in America's Senate, who says it is all nonsense.
  "Unfortunately, the argument is also fuelled by ignorance, because nobody knows for sure what is happening to the climate. At a macro level, modeling what is one of the world's most complex mechanisms and projecting 100 years ahead is tricky. At a micro level, individual pieces of data contradict each other. One shrinking glacier can be countered by another that is growing; one area of diminishing precipitation can be answered by another where it is rising" (Economist 2006, p. survey 4).

Conflict of values
• Vermont had a home schooling controversy when I lived there, regarding a woman named Karen Maple, who didn't appear to have adequate credentials to school her son, and so the state did not allow her to do so (see link). Maple insisted that she was competent to do this (see link).
• Yet people like Mrs. Maple might reply that public schools are God-less dens of sin, teaching the 'science' of evolution. Any school, these people might argue, that believes that we 'evolved' from apes, when the Bible clearly indicates to the contrary, is no place for children.

Problem formulation -- Simply defining what is, and what isn't a problem can be seen as an exercise of power.
• Gay advocates argue that their inability to marry is a problem (while opponents argue that gays wanting to marry is itself the problem!).
• Take poverty: that some people in America are richer than others is something most Americans can agree on.
  • Yet for some people the problem is class inequities that mean dullardly children of millionaires can themselves become millionaires (Paris Hilton), even Presidents (ummm);
…while hard working poor kids don’t get a hand up (see link and link).

For others the problem is that too many people are too lazy to get off their arses and work, to pull themselves up from their bootstraps and so become and stay poor.

*Time and cost* -- The Patton and Sawicki text to which I refer on occasion is predicated precisely on this problem: providing "quickly applied basic methods" of policy analysis. Patton and Sawicki raise another set of difficulties involved in analyzing these questions which, they assert, often "have no clearly correct answers" (p. 1), and go on to raise another set of issues that make policy analysis difficult, in that policy problems often:

- are not well defined,
- are seldom purely technical or purely political,
- their solutions usually cannot be proven to be correct before application,
- lack a problem solution that is guaranteed to achieve the intended result,
- have solutions that are rarely both the best and the cheapest,
- have solutions that are difficult to measure against notions of the public good, and
- are difficult to solve in a way that one can measure the fairness of the outcome.

*Measuring achievement* -- in Iraq, for instance

- In the *National Strategy for Victory in Iraq* the administration discussed indicators of success. These were all positive things, such as self-generated indicators of political, security and economic progress (NSC 2005, p. 12-13).
- Others prefer indicators like the number of bombings, the number of US military and Iraqi civilian deaths, even timetables for withdrawal, like Donald Rumsfeld's early assertion that fighting would last less than six months (source). The beauty of these are that they are unambiguous: either you meet the deadline (success) or you don't (failure); either the number of bombings went up (failure) or down (success).
- The *National Strategy* didn't favour these, as they are
  - "the metrics that the terrorists and insurgents want the world to use as a measure of progress: the number of bombings" (p. 13); and
  - "Arbitrary deadlines or timetables for withdrawal of Coalition forces -- divorced from conditions on the ground -- would be irresponsible and deadly, as they would suggest to the terrorists, Saddamists, and rejectionists that they can simply wait to win" (p. 12).

**Kingdon on problems and ‘the policy primeval soup’**

**Problems**

*Indicators* – he begins with reference to indicators. “Fairly often problems come to the attention of governmental decision makers not through some sort of political pressure or perceptual sleight of hand but because some more or less systematic indicator simply shows that there is a problem out there” (p. 90). An example (at left), from the weekly newsmagazine *The Economist*.

*Budgets!* – Almost naively, Kingdon avers to a ‘budget constraint’ which can preclude a policy being considered.
Except for tax cuts. Don’t forget, though, our discussion of tax cuts in our third lecture, especially Table 2. Here, despite budget deficits (i.e. revenues less than expenditures), despite a lack of evidence that lower tax rates have resulted in even more total revenue, and even occasionally in the face of a budget surplus but with a large deficit that needs to be paid down (i.e. the situation faced by the Bush administration in 2001), revenue cuts are always affordable.

...and war. It is also worth noting the lack of budget constraint for the military actions in Afghanistan and then later in Iraq.

Politics. We have seen similarly political constructed budgetary constraints at the local level, Brown appears to have established as his first priority to not raise the millage rate. As a result, we have chosen to only cut the grass four times a year (source), fire library employees and reduce hours (source). This despite Duval County being the lowest major county in Florida, which itself is a low tax, lightly regulated state.
• **Florida low tax.** State taxes in Florida are low, on a per person basis (37\textsuperscript{th} lowest in the country), has one of the friendliest business tax climates (5\textsuperscript{th} lowest corporate taxes in the country), a low combined tax burden (5\textsuperscript{th} lowest in the country).

• **Jacksonville low tax.** Jacksonville is in the least taxed of the eight largest counties in Florida, in terms of local government general revenue per person (source):

<table>
<thead>
<tr>
<th>County</th>
<th>Revenue per Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duval</td>
<td>$2835</td>
</tr>
<tr>
<td>Pinellas</td>
<td>$2946</td>
</tr>
<tr>
<td>Leon</td>
<td>$3207</td>
</tr>
<tr>
<td>Hillsborough</td>
<td>$3309</td>
</tr>
<tr>
<td>Palm Beach</td>
<td>$3654</td>
</tr>
<tr>
<td>Broward</td>
<td>$3930</td>
</tr>
<tr>
<td>Orange</td>
<td>$4101</td>
</tr>
<tr>
<td>Miami-Dade</td>
<td>$4145</td>
</tr>
</tbody>
</table>

Values!

Kingdon mentions this fairly briefly, though values clearly matter. As data provided in this class have shown, policy outcomes (or at least policy selection!) differ fairly dramatically between the US and many other rich countries. This is not because the facts differ, but rather to a large extent because of differences in ‘values’ (which might as easily be understood as cultural assumptions about how the world works, and/or what is ‘just’).

The policy primeval soup

• **Policy communities.** The term ‘iron triangles’ is also often encountered in discussions of public policy (the classic reference seems to be Adams, Gordon (1982). *The politics of defense contracting: the iron triangle*).

What is meant by ‘iron triangles’ is “interest group/congressional/bureaucratic networks geared toward funneling benefits to narrow groups” (Candler 1999, p. 237-8).

• **Small!** These communities can be small!
  - In the US, for instance, the academic public administration community is frighteningly small, (almost) everyone (of consequence) knows everyone else.
  - Imagine what it is like in Canada (1/10\textsuperscript{th} our population) or New Zealand (1/75th).
  - In northeast Florida, the nonprofit management community is frighteningly small, again, everyone knows everyone else, with 2-3 alpha females the dominant players.

• **Inbred.** This can lead to some degree of inbreeding, as new ideas are hard to develop.

• **Fragmentation.** Worse, policy communities can be closed and introspective, concerned with the issues of members and without an understanding of (or concern for!) the bigger societal picture.

• **Integration is weak.** Think of the ethanol subsidies meant to produce energy from corn. Unfortunately, the corn growers and ethanol producers that were part of this policy community (and advocated for these subsidies) did not think about the impact on food prices of demand for corn for ethanol production (source). I mean: who could have known that diverting tons of corn from food to fuel would have an impact on the price of fuel?

• **Misallocation.** As a result, we can get misallocation of resources. If solar power has greater potential for reducing energy dependence on fossil fuels, but corn growing states have more political influence, we will get subsidies for corn, rather than sun (source).
• Think, too, of how the different branches of the armed forces have effectively acted as interest groups for their policy communities: admirals want ships, Army generals tanks, Air Force generals planes.

• **Policy entrepreneurs.**
  “These entrepreneurs are not necessarily found in any one location in the policy community. They could be in or out of government. In elected or appointed positions, in interest groups or research organizations. But their defining characteristic, much as in the case of a business entrepreneur, is their willingness to invest their resources – time, energy, reputation, and sometimes money – in hope of a future return” (Kingdon, p. 122).

• **Reasons for their ‘entrepreneurship’:**
  - Personal interests: “the protection of bureaucratic turf: keeping one’s job, expanding one’s agency, promoting one’s personal career” (p. 123).
  - Problem solving: a sense of satisfaction from solving a puzzle and making a difference, or…
    - …imposing one’s values.
    - Or finding a problem for a solution. Got corn? Want to sell it for higher prices? Solution: ethanol.
  - Policy groupies: “some entrepreneurs simply like the game” (p. 123).

• **Anti-rationalist!** From our earlier discussion of theories of public policy, note that this is an anti-rationalist perspective. Needless to say,
  - the interest group model fits pretty well, as does
  - the elite/mass model.
  - Kingdon’s ‘organized anarchy’ ‘windows’ model may apply, too.

• **Ideas matter.** Still, Kingdon does assert that ideas matter. There is a limit to how far, and for how long, a society can defy the gravity of policy reality (i.e. you can’t borrow forever, there are limits to what government can do, there are limits to what society can achieve without government, etc.).

• **Building support, or ‘softening up’ is important.**

• **Criteria for survival.**
  - **Technical feasibility.**
    - Yet missile defense (source), ethanol (source), nation building (source), tax cuts (source). Technical feasibility has often seemed absent from some major policy debates.
  - **Value acceptability.** One policy entrepreneur opposed ending ethanol corn subsidies because he interpreted this as a tax increase (source).
  - **Future constraints.** Tax cuts have to be paid for (source)!

**Summary:** Policy analysis isn't as analytical as we'd like to think it is!
References:


