

## **MAJOR QUESTIONS**

What factors influence the shaping of public policy?

How do cultural effects and time change or affect policy?

How do the different ideologies differ in regulating the marketplace through taxing and spending (budget)?

How can the federal government control the economy through monetary policy?

What major differences exist in social welfare and labor between the two major ideologies?

What major differences exist in privacy between the two major ideologies?

## **GENERAL POLICYMAKING IDEALS**

### **Majoritarian Policy Making**

Major = majority. This is the idea that popular ideas will eventually course their way through government, resulting in a government that will eventually reflect the will of its constituents.

There is a flaw here and in participatory democracy in general; in that the majority is often able to overwhelm the minority.

### **Interest Group PM**

I believe this is a heavily modified form of majoritarian PM. This principle states that interest groups partake in a form of pluralistic democracy. People with similar interests form coherent and visible groups, and create compromises with all three parts of government through lobbying and whatnot.

### **Order and Liberty**

American beliefs of law and order combined with individualism and whatnot combine to create two other guiding ideas: Government should protect rule of law and maintain order, and Government should ensure the rights of people. Debates often revolve around these two ideas.

### **Cost and Benefit**

Oftentimes, debates also revolve around the idea of cost and benefits: does implementing a certain policy off of someone's agenda outweigh on benefits? Or costs?

## **GENERAL POLICYMAKING PROCESS (before entering Congress)**

1. Some initiating entities believe there is a problem (i.e. terrible school lunches).
2. The initiating entity garners support that there is in fact a problem and proposes a solution.
3. The entity or the problem catch the attention of an official, who may choose to officially enter the solution as a bill.
4. Congress uses committees, calls experts from the bureaucracy, etc. in order to investigate the issue.
5. Should legislative bodies decide that the solution is effective, in line with American ideals, and implementable, it will move forward.
6. Responsibility for implementing a solution is given to a pre-existing entity, or another one is created if the task is large enough. This could be a contractor or some part of the bureaucracy.

7. The issue is challenged by the other 46% who didn't vote YES for it in court, through citizen initiated initiative, etc.

## FISCAL STUFF

Besides generational, lifecycle, educational, etc. effects, there are more determinants for how someone votes, at least for policies related to money.

3 ideals drive people to vote a certain way: "less debt", "lower taxes", "more government services". These ideals seem to be contradicting each other, and they are. You can't have everything you want, however, claiming you can put all 3 together while not impacting the voting population but rather someone else (i.e. sin taxes or harsh VATs).

Furthermore, a number of theories drive government involvement:

1. Keynesian economics: the idea that without intervention people cannot operate the economy at full capacity. People save too much; not enough consumption, not enough employment. People spend too much; currency loses value and supplies run out. This is where the government comes in: if people save too much, the government should start spending, and when the opposite is true, starting shifting or removing money. This level of involvement is what a fiscal liberal would do.
2. Multiplier effect: when some spending results in that money coming back to the economy but increased; a measure of how worth it a certain investment is.
3. Supply side economics: the inverse idea, that government intervention does things such as (A) remove money from people's pockets that they could use to benefit the economy, (B) create issues with employment and de incentivize spending), and (C) allow companies to pass on the benefits of lower taxes to the individual.
4. Libertarian ideals: beyond protecting rights, no government intervention is necessary.

These have outcomes in fiscal policy:

1. Taxes. At one point government intervention was looked down upon to the point where the SC ruled that income taxes were in fact unnecessary governmental burdens on citizens. At that time import and export taxes were the main source of income, and services few and far between. Eventually however, **AM16** and the **IRS** were created to allow for and oversee taxes on individuals and groups. With this power, Congress has also used it to promote or unpromote certain sectors, for instance, electric cars.
2. Spending. Governmental intervention does require spending, and this has been the source of debate. For instance, debates over whether or not to support scientific ventures such as NASA have taken place, or how much welfare should exist. However, the amount of intervention has grown to the point where getting a completely balanced budget or one that leans towards having a little extra to save is damn near impossible.
3. Monetary policy. This is the policy that relates to purchasing power and currency. This is similar to fiscal policy (monetary policy is different). This involves things such as

regulating the amount of currency that enters and exits circulation. Conservatives tend to like changing monetary policies rather than fiscal policy. These edits are done by the **Federal Reserve Board (Fed)** via setting **discount rates** (the amount of interest that is paid when banks loan some dollars from the Fed), **reserve requirements** (the amount of money banks are required to keep on hand; decreases = incentivizes loaning), and regulating **bonds** (government IOUs, issued when we don't have enough to do what we want).

4. Intl trade policy. This is regulated through changing **trade balance** (ratio of export:import), editing taxes on incoming/outgoing goods, signing agreements with other countries, etc. **NAFTA** does this by removing most trade barriers between the NA CUM alliance. Conservatives, in conservative fashion, favor freer trade and less barriers.

## **SOCIAL STUFF**

Moving onto non financial policies, we have social policies. Many social policy debate revolve around the amount of **social welfare** to provide. Social welfare is a system that gives disadvantaged people help to meet their needs and get onto their feet. These can range from healthcare to food stamps to money.

The executive and legislative branches are bound by **entitlements**: contract mandated payments and payments required by law. These are usually used to say "we HAVE TO pay X dollars to pay off our debt".

A number of social welfare examples exist:

1. Social Security: created during the Great Depression by Democrats, it requires people to pay into the program in their working days and allow people to pull out of it during retirement days. This requires a fuck ton of money, and is one of the largest sources of entitlements now. Nobody really wants to change it unless absolutely necessary however, because people pay into it their whole lives.
2. Medicaid[re]. Medicaid is for the impoverished who are unable to afford health insurance, and medicare is for all retired and older adults. Funded through payroll taxes. Arguments against these programs are that it introduces needless intervention into private life and that they are expensive.
3. Insurance. Insurance is a service that you pay into over time, and when you need something (i.e. healthcare after an accident or a house after a tornado), your insurance helps you with that. Regulation as well as offering insurance to people have been the source of debate for a while.
4. Private v. Public. This is related to insurance, but also EMS, hospital stays, etc. Some argue that privatizing will increase competition and stirring up the private sectors, others argue that such services are necessary.
5. Wages. Some argue that it should be determined by market forces, others argue that factors such as "i get paid enough to care" have influences that the traditional model does not account for.

6. Unions and labor organizations. These organizations are created to give employees more power to negotiate with their employers. Some say that they are a negative influence, because they require you to pay into them and because they support various interests that not everyone may support. Some say it is a positive influence, because it has resulted in safer working conditions, OT, etc.

## **OTHER SOCIAL “SOCIAL” STUFF**

1. Intimacy. Conservatives believe that if a state passes a law regarding personal privacy, feds do not have the right to overrule it, because it's not explicit in the CONS. Bathroom bills (ones that require people to use bathrooms that align with their biological sex rather than gender identity) are supported by conservatives because letting an opp-sex person into a bathroom violates privacy. On the flip side, some abortion cases rule that the decision to abort is personal, and thus prohibiting it constitutes a breaking of said intimacy.
2. This concept also exists in law and other client-server interactions: personal information and matters are strictly the beeswax of the involved and whoever they decide should be informed about the matter.
3. Informational privacy. Conservatives tend to go against informational privacy, esp when national security is under threat. Liberals tend to argue for more informational privacy and less surveilling.
4. Education. Conservatives argue that competition is beneficial to public schools and that the ability for families to choose an education and thus what they pay for is important; liberals argue that diverting funds away and opening markets weakens public school systems, making them suck more for the people who must use them
5. Religion. Self explanatory. Liberals more secular and opposed to the idea of religious involvement in government, conservatives inverse.

## **KEY TERMS**

conservative: tend to favor order, tradition and less govinv.

liberal: tend to be open to new ideas as well as more govinv.

ideology: a set of beliefs that a group or individual may hold that determines how a problem presented to them will be solved.

libertarian: against any government intervention whatsoever.

moderate: in the middle of the political plane.

populist: traditional Christian values and benefitting society even when it can cost; being open on some issues (i.e. working regulations) and hard on others (i.e. crime).

progressive: reforms in favor of the people

saliency: how much people care about a certain issue

wedge/valence issue: an issue that has two or more very detached ideas / an issue that has two very close ideas but still debate.

agenda: what a political officer intends to accomplish using the time and power that they have been issued.

trade balance: ratio of export:import

NAFTA: removes barriers to trade in the NA CUM alliance

supply side economics: government intervention bad because it takes money out of the economy that could be used to benefit it.

keynesian economics: government intervention good because the market will tend to fall out of control if left alone.

bonds: government IOUs used to pay for things that it wants now and wants to pay for later.

discount rate: the amount of interest that is paid by banks who are loaned dollars.

reserve requirements: how much money a bank is required to keep on hand and maintain.

Feds: regulate bonds, discount rates, reserve requirements, etc.

IRS: supervises income tax collection

AM16: allows for inctax

multiplier effect: "if you input X amount of money,  $X \cdot MP$  amount of money will find its way back into the economy as a result"

fiscal policy: what to spend and taxes and stuff

monetary policy: currency and debt

entitlements: money that certain sectors are entitled to receive, contractually or otherwise.

social welfare: a system that is designed to help the disadvantaged get back onto their feet and provide for their basic needs.

mandatory spending: money that the govt is mandated to spend by law.

Medicaid: welfare but for the impoverished.

Medicare: social security but for healthcare

PPACA (Obamacare): increases coverage and healthcare aid dramatically

Social Security: “pay in while you are young and take out when you are old”