

Understanding Public Policymaking

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Policy Tools

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Policy Tools

I. Policy Tools: The Government's Toolbox

Think of policy tools as the *how* of policymaking.

- **Definition:** Methods governments use to achieve policy objectives
- **Purpose:** To influence behavior - encourage or discourage actions

Can you think of a recent policy that influenced your behavior?

Four Dimensions of Policy Tools

1. **Nature of Government Activity**
2. **Delivery System Structure**
3. **Degree of Centralization**
4. **Degree of Detailed Administrative Action**

Let's break these down...

1. Nature of Government Activity

- Money payments (e.g., subsidies, tax credits)
- Provision of goods and services (e.g., public education)
- Legal protections (e.g., anti-discrimination laws)
- Restrictions and penalties (e.g., speeding tickets)

Can you categorize these examples: Social Security, Public Libraries, Speed Limits?

2. Delivery System Structure

- *Direct:* Government implements policy directly
 - **Example:** Police departments enforcing laws

- *Indirect*: Government works through intermediaries
 - **Example**: Grants to non-profits for social services

Discussion: Pros and cons of each approach?

3. Degree of Centralization

- High: Policy set at national level
 - **Example**: Federal minimum wage
- Low: Policy set at state or local level
 - **Example**: State education standards

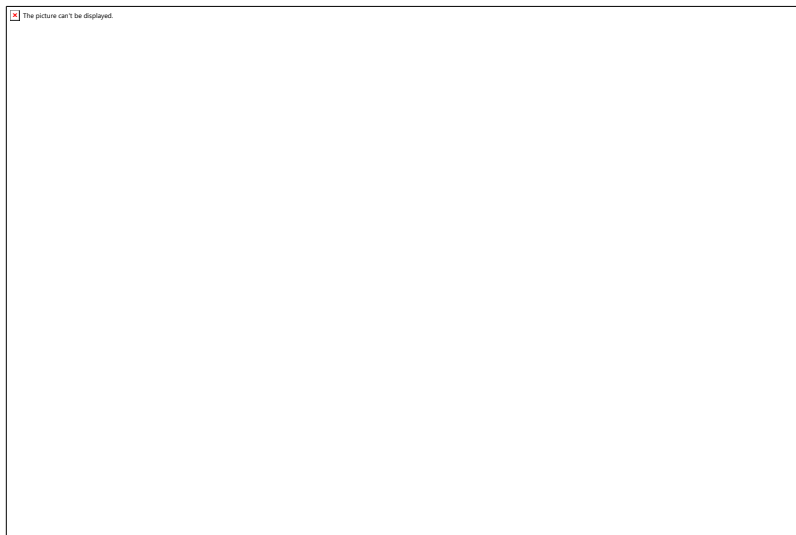
Discussion: When is centralization appropriate?

4. Degree of Detailed Administrative Action

- High: Detailed rules and procedures
 - **Example**: Environmental regulations
- Low: Broad guidelines with flexibility
 - **Example**: Block grants for social services

Discussion: Balancing flexibility and accountability?

Public Policy Coerciveness Spectrum



Considerations for Policy Tools

- *Effectiveness*: Will it achieve the desired outcome?
- *Efficiency*: What's the cost-benefit ratio?
- *Equity*: Who benefits? Who bears the costs?
- *Manageability*: Can it be implemented with available resources?
- *Legitimacy*: Will it be accepted by the public?

II. Policy Tools in Action

Let's explore some examples...

Example 1: Cigarette Taxes

Objective: Reduce smoking rates

- **Nature of Government Activity:** Financial disincentive
- **Delivery System Structure:** Direct
- **Degree of Centralization:** High (federal and state taxes)
- **Degree of Detailed Administrative Action:** Moderate

This policy tool is effective, but is it equitable?

Example 2: Renewable Energy Subsidies

Objective: Promote clean energy

- **Nature of Government Activity:** Financial incentive
- **Delivery System Structure:** Indirect (grants to private companies)
- **Degree of Centralization:** Low (state and local programs)
- **Degree of Detailed Administrative Action:** High

This policy tool is effective, but is it efficient?

Example 3: Speed Limits

Objective: Improve road safety

- **Nature of Government Activity:** Legal restriction
- **Delivery System Structure:** Direct
- **Degree of Centralization:** Moderate (state and local laws)
- **Degree of Detailed Administrative Action:** Low

This policy tool is effective, but is it legitimate?

III. Conclusion

Policy tools are essential for achieving policy objectives

- They vary in their nature, delivery, and level of coercion
- Effectiveness, efficiency, equity, manageability, and legitimacy are key considerations

What policy tools would you use to address your term paper topic?