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?**