

An Introduction to the **Policy Process**

Theories, Concepts, and Models
of Public Policy Making

Third Edition

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Elements of the Policy-Making System

CHAPTER

2

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Key Terms

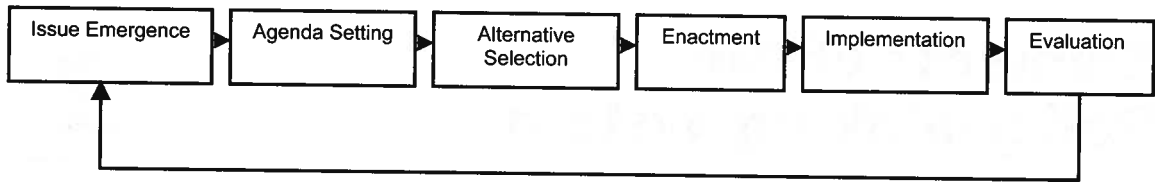
Questions for Discussion, Reflection, and Research

Additional Reading

The term “policy process” suggests that there is some sort of system that translates policy ideas into actual policies that are implemented and have positive effects. Traditionally, public policy textbooks have presented what is known as the “textbook model” or “stages model” of the policy process. The process is shown in Figure 2.1.

This figure serves both as an overview of the process, and, to some extent, the organization for this book. In this model public problems emerge in a society through various means, including sudden events like disasters or through the advocacy activities of concerned citizens and interest groups. If the issue gains sufficient attention it is said to have reached the agenda, a process described in chapter 6. Given the size and complexity of governance in the United States and the number of governments—over 80,000, from the federal government to the smallest local water district—there are lots of problems and lots of ideas on many agendas. Once

Figure 2.1 The Stages Model of the Policy Process



an issue moves up on an agenda it moves to the development of alternative policy responses—some might call them solutions—to public problems. From there, we move to alternative policy selection; that is, the choice of policy tools we will use to address the problem, whereupon policies are enacted. Enactment means that a law is passed, a regulation is issued, or some other formal decision is reached to take a particular action to solve a problem. After that decision is reached, the policy is implemented, a process described in chapter 9. The policy is then evaluated and the results of evaluation provide feedback to the process, where it begins anew.

This model has been subject to considerable critique in recent years. A main critique of the stages, or textbook model of policy making is that it implies that policy making proceeds step by step, starting at the beginning and ending at the end.¹ Critics point out that a policy idea may not reach every stage. For example, policy ideas often reach the agenda, but move no further than that. Others argue that one cannot separate the implementation of a policy from its evaluation, because evaluation happens continuously as a policy is implemented. These critics suggest that the stages model does not constitute a workable theory of how the policy process works. (These critiques are taken up when we delve into advanced theories of the policy process, including a discussion of what a theory means, in chapter 10.) But I used the stages model to organize this book because it remains a remarkably helpful way to structure our thinking about the policy process. As political scientist Peter deLeon notes many scholars have written extensive studies that describe each stage of the process.² Thinking of policy making in stages is a way of organizing our thinking and of isolating and understanding the most important elements of the process.

systems thinking.

A way of thinking about natural or social phenomena as a system, in which various inputs into a system are handled, processed, and interact with each other to create a set of discernible outputs.

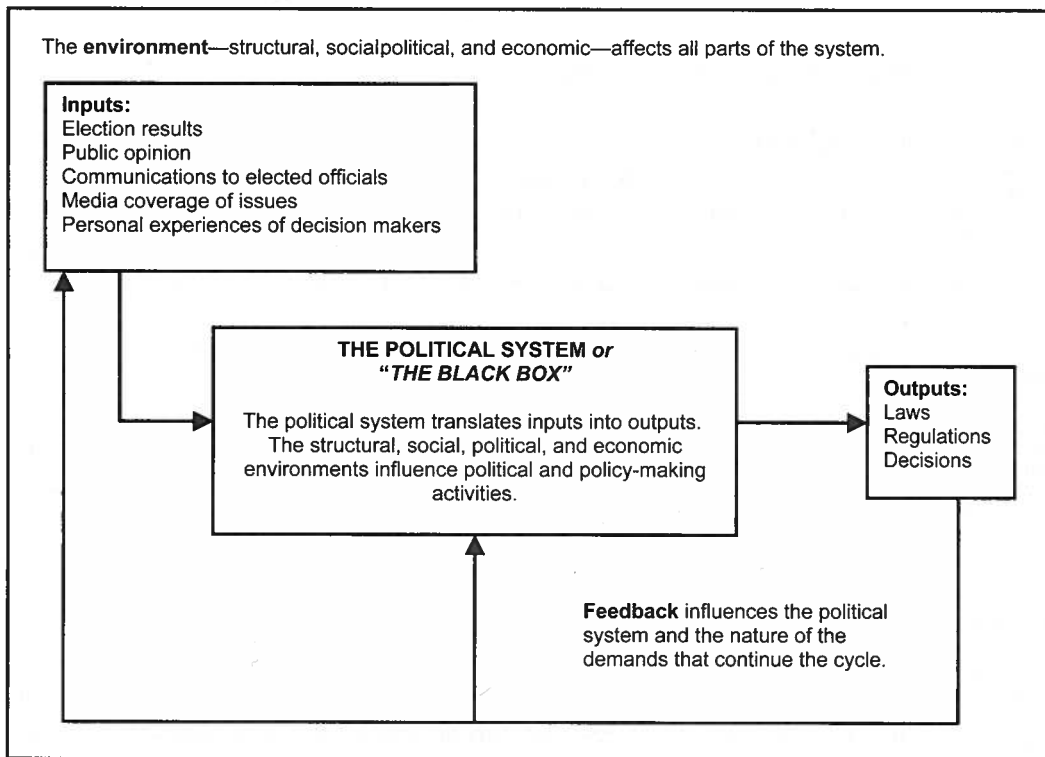
input-output model.

A model of the policy process that assumes a set of policy demands or inputs, which are then processed by the political system into laws, programs, and the goods and services government provides.

The Policy Process as a System

The stages model of the policy process owes a great deal to *systems thinking*, a way of thinking about all manner of things—from social to biological to mechanical systems—that became much more prominent after World War II. The simplest model of the policy process is an *input-output model*. The inputs are the various issues, pressures, information, and the like to which the actors in the system react. The outputs are, in simplest terms, public policy decisions to do or not do something. David Easton's book, *A Systems Analysis of Political Life*, was among the first works to describe politics in this way.³ A simplified depiction of this system is shown in Figure 2.2.

Figure 2.2 A Systems Model of Politics and Policy



The challenge in thinking about policy as the product of a system lies in understanding how policy makers translate sets of inputs into outputs. The major criticism of Easton's systems model is that most depictions of this model treat the political system as a *black box* (that is, a system in which the internal workings are unexplained), rather than opening the box to understand the processes that occur within it. A black box in a systems model is something that performs a translating or processing function, but where the actual workings of that system are unclear. The stages model of the policy process is one way of opening up that black box to more thorough analysis.

Easton and the systems modelers argue that we can think of the public policy process as the product of a system that is influenced by and influences the environment in which it operates. This chapter focuses on this policy-making environment and describes the social, political, and economic system in which public policy making takes place. The political process relates to its environment much as a plant or animal does: it is both influenced by and influences its environment. One must be careful with this analogy, however; the boundary between the political system and its environment is blurry, as the system and the environment overlap. The strength of the systems approach is its value in helping us isolate important things worthy of study. For example, within this general notion of the *policy environment*, we can isolate four "environments"

black box.

The part of any system model or theory that just assumes its operation without explaining how that part of the system translates inputs into outputs.

policy environment.

The structural, social, economic, political, and other factors that influence and are influenced by policy making.

that influence policy making: the structural environment, the social environment, the economic environment, and the political environment.

The Structural Environment

separation of powers.

The constitutional division of power between the legislative, executive, and judicial branches of the government.

federalism.

A system of government in which power is shared between a central or federal government and other governments, such as states or provinces.

open public meetings laws.

Laws that mandate that most public meetings and hearings should be open to the public, in decision making.

Administrative Procedure Act.

A federal law that requires regulatory agencies to follow particular procedures in rule making, such as public notice of new rules, public comment periods, and publication of rule-making activity in the *Federal Register*.

The basic structural features of American government are those taught in high school civics or introductory American politics courses. These features include the *separation of powers* into three branches of government and the system of state and federal government known as *federalism*. Beyond the basic constitutional framework, there are traditional and legal structures that establish rules of policy making, many of which are described in chapter 3.

But government structures are not simply formal; a structural environment involves rules that dictate how government goes about its business. In the past three decades, laws such as *open public meetings laws*, the *Administrative Procedure Act*, and the *Freedom of Information Act* have opened up government to considerable scrutiny. These laws allow people greater access to government. They have helped to root out some unseemly practices in government, since the participants in a policy arena know that their actions are on the public record. These benefits come with the cost of slowing down policy change as agencies and policy proponents must seek and address public comment, scrutiny, and sometimes opposition. In other words, an agency cannot simply regulate without any public scrutiny, and that scrutiny can sometimes lead to conflict and delay. In our system, as in many democracies, citizens and policy makers must seek a broadly accepted balance between legislative speed and efficiency on the one hand, and a respect for democracy and the rights of all citizens to participate on the other.

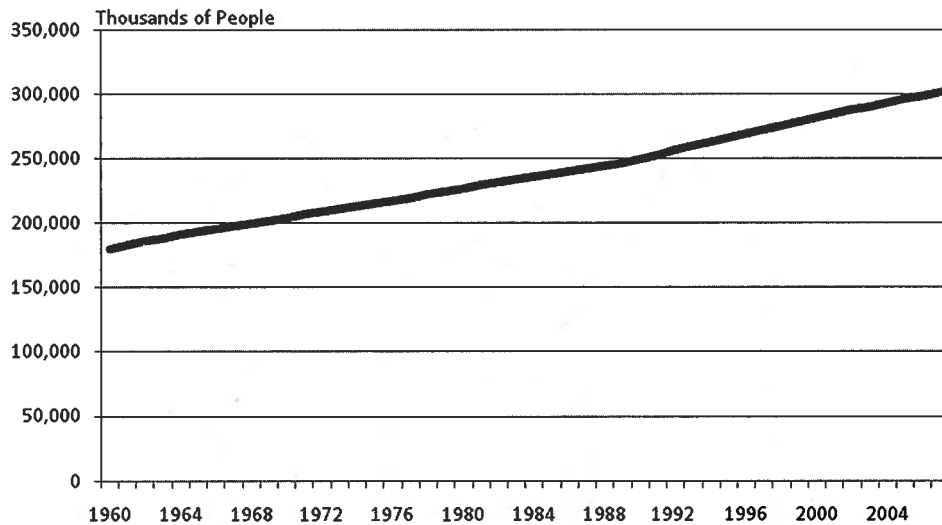
The Social Environment

The social aspect of the policy environment involves the nature and composition of the population and its social structure. *Demographers* study the composition of the population by looking at the distribution of age, race, gender, and other attributes. Our nation's founders enacted a constitutional mandate for a census to be taken every ten years, which allowed for the collection of a vast amount of demographic data. The U.S. Census Bureau and other agencies collect a huge amount of data between the censuses, so we have very good indicators of social trends. These trends have an important influence on public policy making.

A Growing, but Aging, Population

The population of the United States is graying, as reflected in Figure 2.3, but the rate of growth is relatively slow compared with that of other countries. The slope of the population growth line is nearly constant until about 1990, when growth in-

Figure 2.3 United States Population, 1960–2007



Source: U.S. Census Bureau, in the *Statistical Abstract of the United States*, 2009, Table 2.

creased as the kids of baby boomers began to have kids and there was an increase in immigration. Still, since 1960, the annual growth rate has never exceeded its 1961 high of 1.67 percent annually (Figure 2.4). Of course, this growth rate is not uniform nationally, and some states, like California and Florida, are growing faster than others, such as New York and Ohio.

This slow growth means that the nation is trending toward an older population; in 1980, over half the nation's population was under thirty-five years old; by 2000, more than half the population was older than thirty-five, and by 2015 those age fifty or above will account for one-third of the nation's population, up from just over 26 percent in 1980 (Figure 2.5).

Race and Ethnicity

The United States has generally been a “white” country, consisting primarily of the descendants of European settlers, with a substantial African American minority population. By the late twentieth century, these proportions were changing, as reflected in Figure 2.6 on page 31. In particular, the self-identified Hispanic population was projected to grow from 12.5 percent of the population—about the same proportion as African Americans—to 17.7 percent of the population in 2009. (The “Hispanic” classification is of an ethnic group and is not a racial category on the census. Most Hispanics identify themselves as white on the census.)

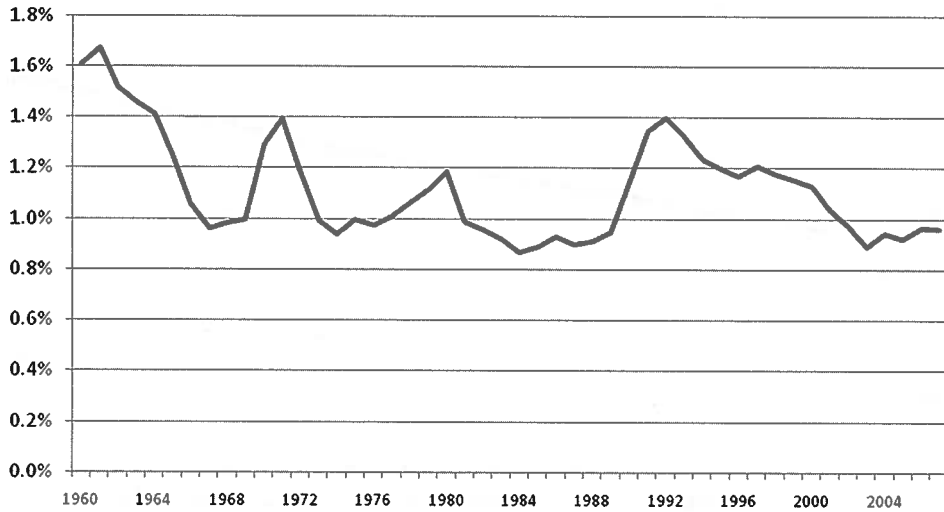
Freedom of Information Act.

Federal law that allows citizens to gain information about government programs. This act is often invoked by journalists and researchers when the government is at first unwilling to provide information; it is sometimes successful in compelling the government to provide information.

demographers.

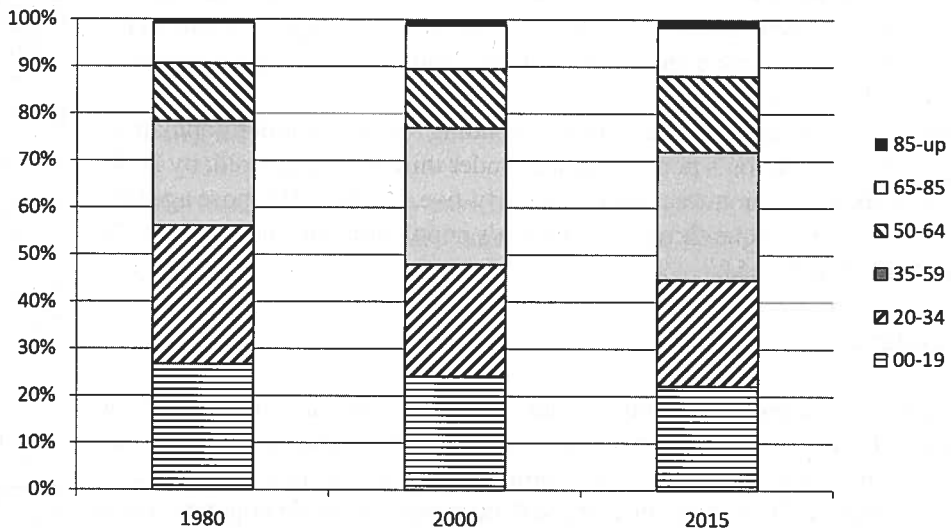
Individuals who study the composition of the population by looking at the distribution of age, race, gender, and other attributes.

Figure 2.4 Annual Rate of Population Growth, United States, 1960–2007



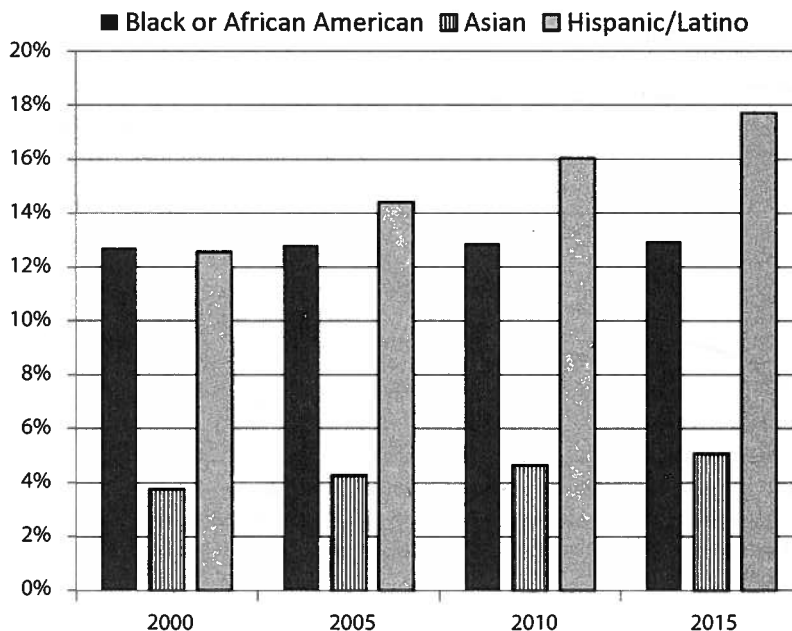
Source: U.S. Census Bureau, in the *Statistical Abstract of the United States*, 2009, Table 2.

Figure 2.5 Portion of U.S. Population by Age Groups



Source: U.S. Census Bureau, in the *Statistical Abstract of the United States*, 2009, Table 7.

Figure 2.6 Proportion of Population by Select Ethnic or Racial Group



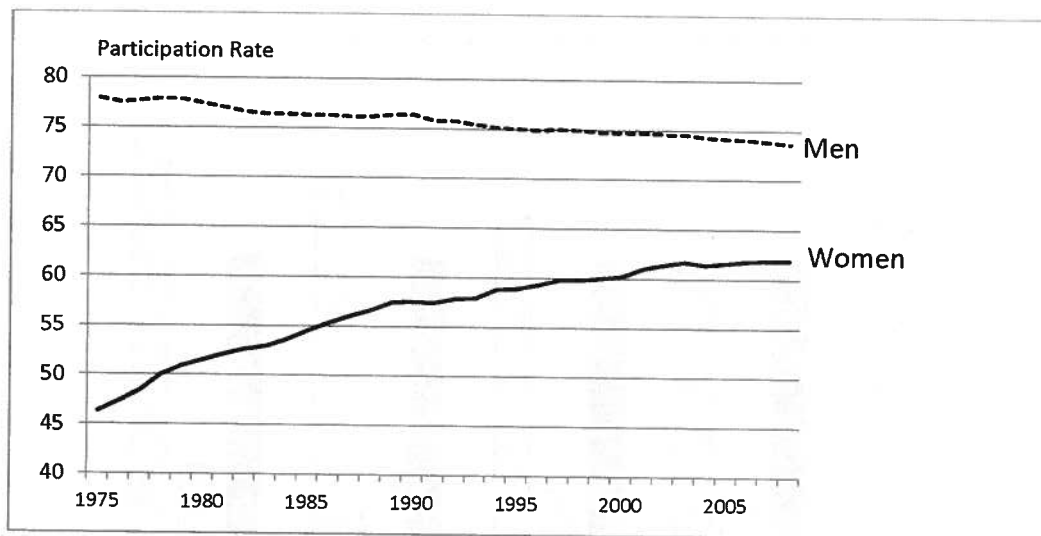
Source: Derived from the *Statistical Abstract of the United States*, 2009, Tables 6 and 11.

Gender and Labor Force Participation

The gender distribution of the nation's population has remained relatively stable for the last fifty years, with slightly more women than men in the population, primarily because of the long life expectancy for women. But public policies do reflect changing attitudes about gender roles, which in turn, have implications for families and the workforce. Indeed, we can see these trends in male and female labor force participation (Figure 2.7). While the proportion of men with jobs has slightly declined in recent years, the rate at which women are participating in the workforce has been climbing since 1975, and is leveling off or just growing slightly. These data are driven by two related but different trends: the extent to which women have gained equal access to the job market and the extent to which families depend on a second earner.

Women's labor force participation was very high during World War II, but when the war ended and millions of soldiers returned from Europe and Asia, women retreated from (or were pushed out of) the paid workforce. This trend reversed in the 1970s, when more women pressed for the right to work on an equal footing with men. About 60 percent of American women now work, up from just over 40

Figure 2.7 Labor Force Participation, Men and Women, 1975–2008



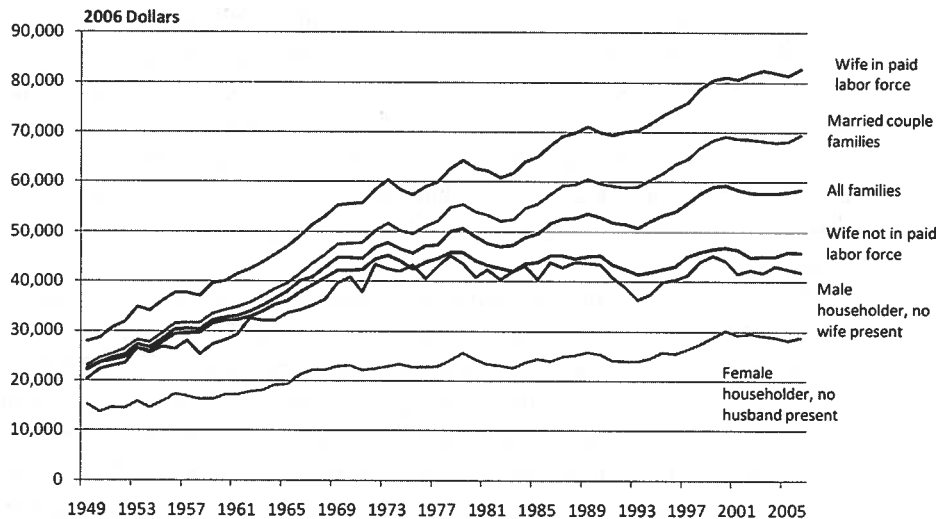
Source: U.S. Bureau of Labor Statistics, <http://www.bls.gov/opub/working/data/chart3.txt>. Data after 2000 are projections.

percent in 1975. The rate of male labor force participation declined slightly during that period. The entry of women into the workforce has led to some important trends in median family incomes, as seen in Figure 2.8.

At the same time as women were increasing their participation in the workforce, median family income among “traditional” families (in which the wife stays at home) remained fairly stagnant from the early 1970s. Only in families where women entered the workforce has there been a substantial increase in family income. While in 1970 two-earner families earned about 130 percent of the income that single-earner families earned, in 2007 two-earner families earned about 180 percent of single-earner families. Whether the increase in female labor force participation is a function of gender equity, economic necessity, or some of both is a matter that continues to be debated. But we can say from the data that family incomes have not substantially grown where women have not entered the workforce. This stagnation in median family income has been a recurrent theme in the debates over the state of the U.S. economy.

Another major shift in the social environment that will influence policy is the increase in the number of women in professions and roles that were once held by men only. Women today attend college at a greater rate than men and attend law school at a rate nearly equal to men. The establishment of the WNBA basketball league, the very closely followed American women’s World Cup soccer victory in 1999, and the considerable growth in the popularity of women’s college basketball are highly visible indicators of our society’s changing attitudes toward women’s

Figure 2.8 Median Family Income, by Household Type, 1949–2007



Source: U.S. Census Bureau; *Statistical Abstract of the United States* Table 677 (2009).

roles and capabilities. And more women than before are holding positions of influence at the national level; three recent U.S. secretaries of state have been women. Condoleezza Rice, the secretary of state under President George W. Bush, was the first African-American woman to hold that position; she succeeded Colin Powell, the first African American to serve as secretary. (Earlier, General Powell had been the first African American general to chair the Joint Chiefs of Staff, the top decision-making body in the military.) Madeleine Albright was secretary of state during the Clinton administration, and Hillary Clinton is the third woman to hold the position.

The Policy Implications of Demographic Changes

Why does demographic change matter? A 2006 report for the Congressional Research Service⁴ (CRS) reviewed many of the trends outlined here, and found three broad areas where they will matter: the workforce, immigration, and intermarriage. The first is in work, retirement, and pensions. As the population becomes older, the number of people drawing social security and other old age benefits, as well as private pensions, will increase as a proportion of the overall working population. Note also that in Figure 2.7 we saw overall male participation in the workforce declining, a result in part of older men leaving the workforce with more younger women entering than before. Some of this retirement is driven by trends in “private wealth and income security,” according to a 2006 CRS report, which relates both to private retirement and pension

plans and to the nature of social security benefits. In particular, with many more retirees in the system, “a major domestic political challenge of the twenty-first century will be how to adapt our old-age income security and health insurance systems to ensure financial solvency while ensuring that there is an adequate safety net to protect the most vulnerable in the population.”⁵ According to the report, this will result from the use of private savings. Of course, the major recession and the drop in the value of investments in 2008 through 2010 suggest at least a short-term problem with retirement income for millions of Americans. This appears to have induced many Americans to plan to work past the retirement age of sixty-five. This, in turn, will have important implications for employment and job creation.

The aging population will also pose significant health challenges. Improvements in human health and in health care have shown remarkable progress. But this aging population will demand more and potentially more expensive health care services, at the very time when cost containment and broader availability of affordable health insurance is very high on the government’s list of priorities. And as a larger proportion of Americans will be over the age of sixty-five, there will be a particular need to provide care to people more prone to “cognitive impairment and dementia,” even though the full implications are not yet clear.

The next set of policy implications relates to immigration policy. The United States will continue to grow at a faster rate than nearly all European Union nations because of a somewhat higher birth rate—particularly among recent immigrants—and because of the flow of immigrants. Americans by and large cherish the nation’s self-image as a beacon of hope for people throughout the world who come to seek a better life. At the same time—just as was true 100 years ago—immigration creates social strains and resentments, as well as very strong pressures for immigrants to assimilate into American culture. Just as with the major wave of immigration in the late 1800s and early 1900s, many first-generation immigrants will retain their own language and, to some extent, their customs, but their children will rapidly become assimilated. At the same time, immigration policy must balance between encouraging immigration to ensure that population growth and its economic benefits continue, and ensuring national security, particularly after the events of September 11, 2001, after which a number of reforms were made to immigration policy and management. These policies are intended to keep criminals and terrorists out of the United States while admitting the people we want to come and live here, but these policies may have the effect of discouraging immigration.

A third trend is “America’s changing color lines.” As the CRS report notes, “the United States is now a society composed of multiple racial and ethnic groups.” The greater diversity of the nation is combined with the growing rates of intermarriage among racial and ethnic groups, so that it is becoming less and less fruitful to speak only of specific racial and ethnic groups. What are the major policy issues?

First, the CRS report finds that the extent of assimilation of, in particular, recent Asian immigrants, is low; these people maintain their own languages and cultures

either because they cannot, or do not wish to, assimilate into mainstream society. For any immigrant group—and for sheer numbers, Spanish-speaking immigrants—language barriers can make gaining work or an education more challenging. The enduring question is whether and to what extent, then, we want to offer services in Spanish. Does doing so hasten or delay assimilation?

A second policy issue is income disparities between whites, blacks, and Hispanics. Blacks and Hispanics tend to earn less than whites, which makes homeownership more difficult to achieve for members of racial and ethnic minorities. Homeownership is a major policy goal in the United States. Income disparities among groups are reflected in homeownership rates. People with low incomes are less likely to own their own homes, and less able to keep their homes during economic downturns. This income disparity is also reflected in poverty rates. While the poverty rate declined among all racial and ethnic categories—with the steepest declines among African Americans—racial minorities still have higher rates of poverty than do whites.

These trends suggest that it is important for people to consider demographic change as part of the broader policy environment. But questions of race or ethnicity also raise important and sometimes controversial questions. What difference does—or should—race or ethnicity make in public policy? In a supposedly color-blind society, in which everyone, regardless of race, ethnicity, national origin, and the like, should be treated equally, why continue to consider these issues? As the trends shown here demonstrate, race and ethnicity do matter in fundamental ways. We know that policies can have different effects on different racial and ethnic minorities. As social scientists, we also know that the effect of these differences—and the effects of policies that created or alleviated these differences—will lead to group mobilization. The increasing number of Hispanic Americans is primarily accounted for by people coming to the United States for whom Spanish, not English, is their native language. However, it is important to remember that what we see here is aggregate data—recent Hispanic immigrants from Central America are culturally and economically different from Cubans who identify as Hispanic but who arrived in the country in the early 1960s.

Furthermore, the recent policy discussion about race and ethnicity tends to overlook the continuing disparities between whites and African Americans in income, housing, employment, and education. The United States has made remarkable progress in addressing problems of racial discrimination since World War II. And, of course, many people rightly point to the election of President Barack Obama, whose father was Kenyan, as a sign that Americans' attitudes toward race have changed a great deal in just the last thirty years. Yet, at the same time, we know that African Americans suffer from poverty and unemployment at a higher rate than the national average. In a nation dedicated to equality, many people find such disparities troubling and define these disparities as problems that require attention.

As noted earlier, there is rapid growth in the Asian population of the United States, with large Asian communities found in California and New York, among

other places. But let's consider immigration and national origin more broadly, and consider the challenges and complexities faced by my hometown, Anchorage, Alaska. One may not consider this small, remote city (compared with the rest of the United States) to be a major magnet for immigration. Yet in this city of about 275,000 people, the Anchorage school district provides English language learning services to students who speak *ninety-four* different languages, from Danish to Tlingit. Clearly, understanding people's ethnic heritage can provide some clues about what sort of public goods and services these people may need, in big cities and small towns all over the United States.

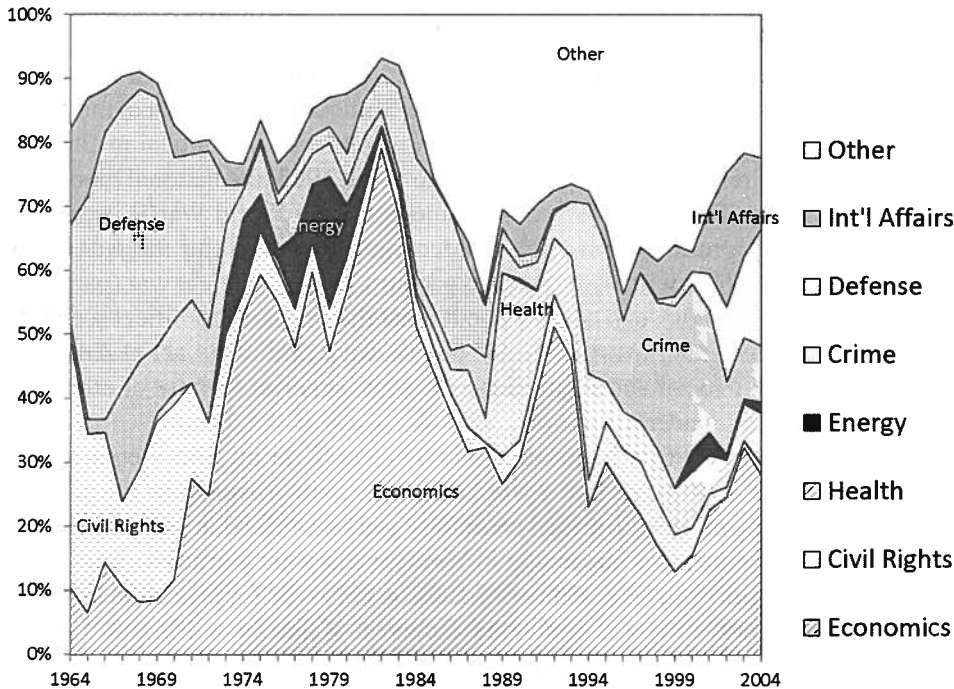
Furthermore, as self-identified racial and ethnic groups emerge and become large enough to organize, they will, as in any democracy, seek representation in our political and social institutions. This is not to say that all racial or ethnic minorities believe that their interests are only represented by a member of their racial group. Instead, these trends, coupled with remarkable changes in Americans' attitudes toward race—arguably culminating in President Obama's election—mean that our political institutions will continue to see increased participation by nonwhite Americans. In a special election in 2009, the first Vietnamese-American member of Congress was elected from a district in Louisiana, a state to which many Vietnamese emigrated after the Vietnam War. Clearly, demographic change is ongoing, and has important policy implications.

The Political Environment

One way that policy makers and other participants in politics assess their political and policy options is by looking at public opinion polling data. Public opinion polling has come a long way from its early efforts in the 1930s and 1940s. Today, the methods for sound polling are well established, and it is possible, with a well-crafted sampling plan, to survey only about 1,700 Americans to get results within about a 4 percent margin of error. With this in mind, we can consider the following polling data as broadly reflective of public opinion. The first set of data describes the general policy issues that have dominated Americans' attention since the 1960s. Then, we consider a set of political data that reflects what John Kingdon calls "the national mood."

Pollsters have for years asked people to list what they consider to be the "most important problem" on the national agenda. Such problems tend to track very closely with media coverage of important problems, but these results are fascinating snapshots of changes in public thinking and attitudes. The data shown in Figure 2.9 are from the "Agenda Project" database, a project of the Universities of Washington and Texas. The researchers found the "most important problem" (MIP) question in a series of Gallup polls, and have normalized the data to make them comparable over time. This figure reflects the historic problems people were thinking about in these years. In 1965 civil rights matters dominate the agenda; by 1974, in the

Figure 2.9 Proportionate Answers to “Most Important Problem” Question, 1964–2004



Source: Policy Agendas Project Web site, <http://www.policyagendas.org/>.

height of the energy crisis, energy concerns dominated political discussion. Over half the respondents in 1984 isolated economic issues as the key issues. Defense was also a major concern during this important era in the Cold War. Defense was an even bigger concern during the height of the Vietnam War in the mid 1960s. In 1994, health issues dominated in ways that they never had before, due in large part to President Clinton's attempts at health care reform. Crime and economics were equally high on the MIP list in part of the 1990s. By 2004 macroeconomics concerns were very important, but defense and health also gained a lot of attention. And in 2004, international affairs was listed as an MIP more often than any time since 1964, a result of greater international attention paid to issues like terrorism and the wars being fought in Iraq and Afghanistan.

One can argue that the answers to the MIP are a reflection of what policy makers and, indeed, the news media are focused on, not simply what a thoughtful mass public believes. One can reply that the media cover the things that people find most important, so the influence runs from readers and viewers to the media, not the other way. This claim is addressed in chapter 5, but for now we can say that the MIP question reflects the important issues on the government's agenda, and, therefore, reflects the areas of public policy in which one is likely to see the most activity. If

we had to isolate one concern that spans the last forty-five years of public policy making, that concern would be the economy.

John Kingdon describes the national mood as how we feel about government's handling of public problems.⁶ While a national mood may be hard to measure, there are some ways to at least probe this idea. Sometimes, the national mood is generally good, such as when the economy is strong and trust in political institutions and our leaders is relatively high. From 1946 to about 1963, the national mood was broadly optimistic. The United States had emerged from World War II largely unscathed, and, after a mild postwar dip, the economy boomed after the war. While people were concerned with communist expansion, fears of nuclear war (particularly in the 1950s and 1960s), and anxiety about what the social and political scene looked like immediately after World War II,⁷ people were optimistic about America's future, believed its social and political system to be superior to those of other nations, and trusted their leaders.

In the mid-1960s the national mood began to decay. The Vietnam War began to bog down, and claims that it was being won were proven to be false. Growing anti-war sentiment and a so-called credibility gap between what government and military leaders claimed was happening in Vietnam and what journalists reported ultimately led to President Lyndon Johnson's decision not to run for reelection in 1968. Between 1968 and 1974 the war continued, Robert F. Kennedy and Martin Luther King, Jr. were murdered, and President Richard Nixon resigned in disgrace over the Watergate scandal. At the same time, inflation, unemployment, and the energy crisis combined to erode public faith in the United States' economy and its power. By the late 1970s, major American industries were facing severe competitive pressures from Europe and Japan.

recession.

A period of economic contraction in which the value of the *gross domestic product* shrinks for two consecutive quarters.

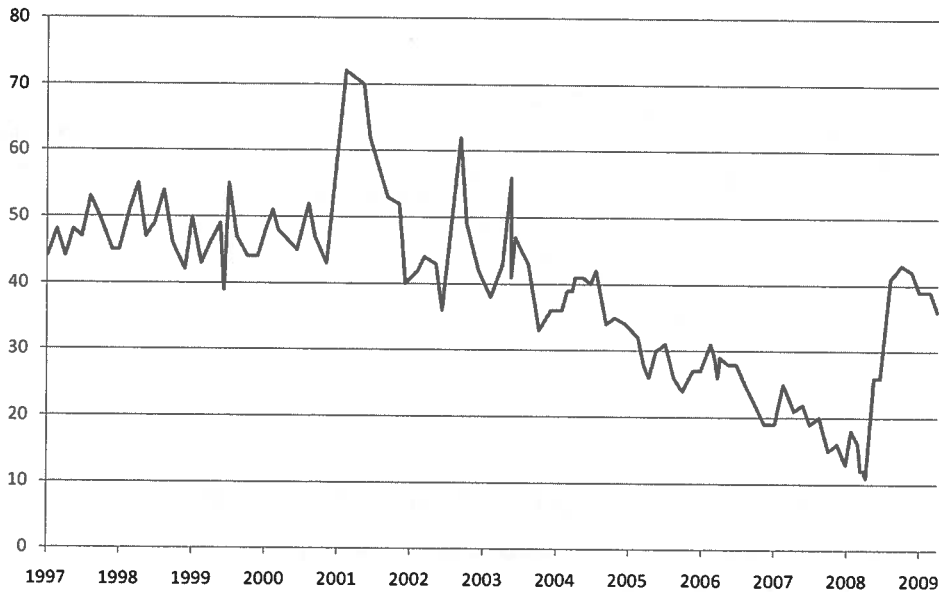
depression.

A particularly severe recession; in particular, the Great Depression in the United States and other nations from 1929 to the outbreak of World War II in 1939. It is accompanied by extremely high unemployment and significant reductions in the *gross domestic product* (GDP).

The early 1980s saw little improvement in the national mood, with a major *recession* in the 1980s triggered, in part, by the Federal Reserve's stringent anti-inflation policies. By the mid-1980s, however, inflation was almost entirely eliminated as a major factor in the economy, and the economy recovered. Except for a relatively mild recession in the late 1980s and early 1990s, the economy grew strong through the 1990s and early 2000s (though certainly not in all sectors), giving Americans substantial faith in the future of the nation. Indeed, most Americans believed, until 2008, that an economic *depression* was extremely unlikely. While the 2008 stock market crash and related crises in the financial markets led to a particularly severe recession, from which the economy has not, as of this writing, recovered, most economists still would hesitate to call this downturn a depression on the same scale that which swept the world in the 1930s.

When I wrote the first edition of this book in 2000, I mentioned that "today's national mood is in many ways upbeat—with crime on the decline, the economy booming, and international tensions seemingly much less frightening than they were during the depths of the Cold War." This claim is reflected in the data shown in Figure 2.10, which show responses to a commonly asked question in an NBC/

Figure 2.10 Answer to the “Right Track” Poll Question

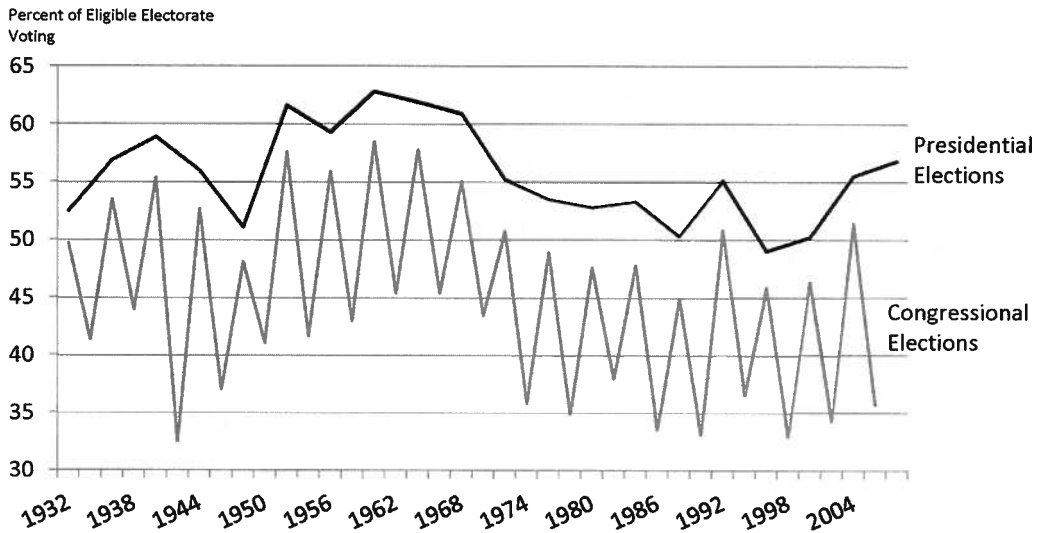


Source: NBC/Wall Street Journal poll, via [pollingreport.com](http://www.pollingreport.com/right.htm), <http://www.pollingreport.com/right.htm>, December 1, 2009. The question is “All in all, do you think things in the nation are generally headed in the right direction, or do you feel that things are off on the wrong track?” Samples vary by registered voters, likely voters, and all adults.

Wall Street Journal poll: “All in all, do you think things in the nation are generally headed in the right direction, or do you feel that things are off on the wrong track?” As you can see, most people felt good about the direction of the country until around 2000, when the recession began to set in. The indicator jumped to a historic high after the September 11 terrorist attacks, in large part because of the outpouring of patriotism following the attacks. This is reflected in people thinking the country was on the right track, even as we rebounded from the worst terrorist attack in history. And we see the rally effect in 2003, when the Iraq war began. The rally effect is the tendency for people to rally around an individual president, the institutional presidency, and sometimes other national institutions in time of crisis. But as the wars in Iraq and Afghanistan war dragged on and the economy grew slowly and then slid into recession, dissatisfaction began to set in.

Even with the swelling of patriotism and the renewed sense of civic purpose many people felt after September 11, many Americans still feel disconnected from government, feel they lack any voice, and, while often angry and upset, are unclear about how to participate in the policy process. This alienation is reflected in low rates of electoral participation and registration (particularly in nonpresidential elections), as shown in Figure 2.11, a trend that continued in the 2002 congressional elections. To those who value voting as a form of civic participa-

Figure 2.11 Proportion of Voting Age Population Participating in Elections, 1932–2008

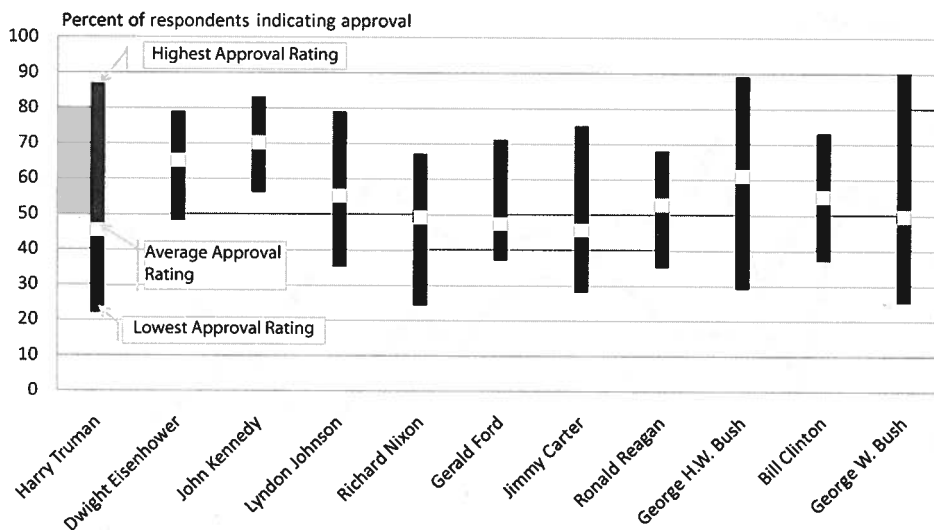


Source: Infoplease database, <http://www.infoplease.com/ipa/A0781453.html>.

tion and engagement, the relatively low participation in the 2002 congressional elections was particularly troubling, considering that at the time the nation was debating whether or not to extend the so-called “war on terrorism” to an attack on Iraq in order to depose its dictator, Saddam Hussein. Such momentous decisions did not, apparently, motivate higher voter turnout in the midterm elections. There is little evidence that there has been much change in the undercurrent of antigovernment sentiment that has been a persistent part of American politics for more than forty years.⁸

Finally, it is important to consider Americans’ approval of government institutions. Since 1945 pollsters have been asking people “Do you approve or disapprove of the job that the president is doing?” Since the mid-1970s, the same question has been asked about the U.S. Congress. Figure 2.12 shows data for public approval of the president. The data show the nearly inevitable drop in approval ratings that presidents see between their inauguration and their final approval rating when leaving office. This occurs because other candidates often come forward, and dissatisfaction is experienced about current policy and the administration’s way of doing business. However, this doesn’t happen to all presidents—President George W. Bush had a higher approval rating at the beginning of his second term than at the beginning of his first. What is particularly interesting is the relatively high degree of support for the president between 1953 and 1966, with only a few instances during this period of presidential approval falling below 50 percent. Presidential approval since 1966 has been subject to wide swings of opinion, even during the same presidency. In

Figure 2.12 Presidential Approval Ratings, Harry Truman through George W. Bush



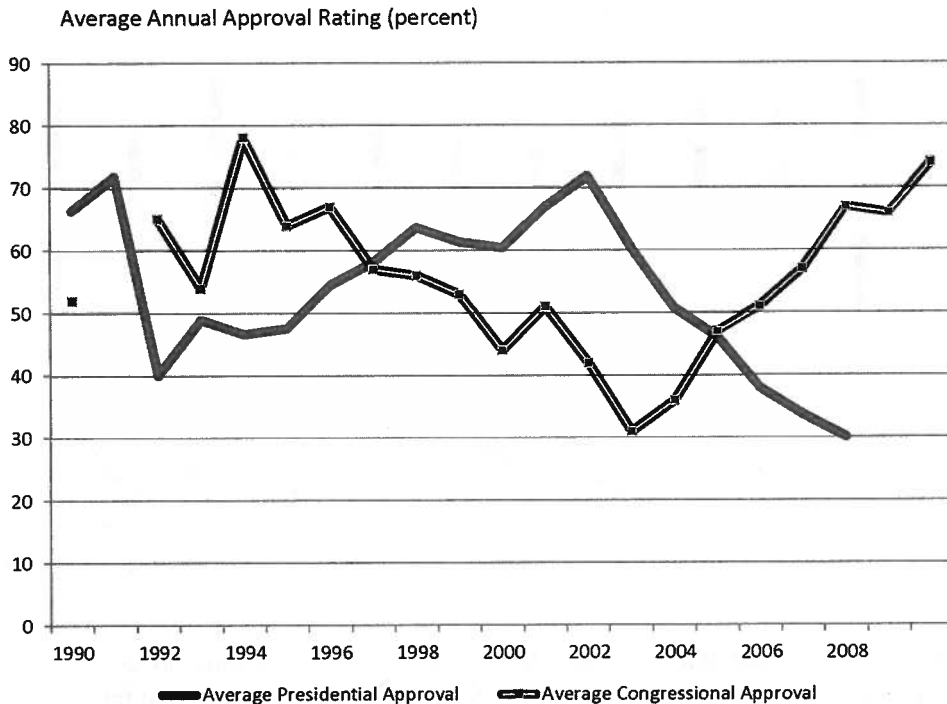
Source: Gallup Organization, <http://www.gallup.com/poll/116677/Presidential-Approval-Ratings-Gallup-Historical-Statistics-Trends.aspx#1>.

early 1991, during the Gulf War, President George H.W. Bush was rated as doing a good job by a whopping 89 percent of the electorate, a number matched by President George W. Bush in 2001 in the immediate aftermath of the September 11 attacks. But both Presidents G.H.W. and G.W. Bush saw very low ratings of about 25 percent, as, in the senior Bush's case, Americans were reacting to an economic recession, and, in the junior Bush's case, Americans were reflecting fears of the late 2008 economic crisis and concern about the war in Iraq.

Of course, the president is not the only person—and the presidency is not the only institution—people turn to for leadership. It is useful to consider the public's attitudes toward Congress as well. The annual average job approval ratings for Congress and the president are shown in Figure 2.13. These data date from 1990 and paint an important and interesting picture: when Congress's performance is believed to be good, the president's performance is rated lower, and vice versa. This may reflect institutional tensions between Congress and the executive branch, and, during the period in which these data are gathered, reflect partisan attitudes, particularly during periods of divided government. Recent research suggests that when Congress legislates it appears to trigger negative reactions among the public, particularly those who are opposed to change.

Why is the national mood and trust in government important for public policy? Because, as Ralph Erber and Richard Lau, referring to David Easton's work, state, "the legitimacy of democratic political systems depends in large part on the extent to which the electorate trusts the government to do what is right at least most of

Figure 2.13 Presidential and Congressional Approval Ratings, 1990–2008



Source: Gallup organization, www.gallup.com.

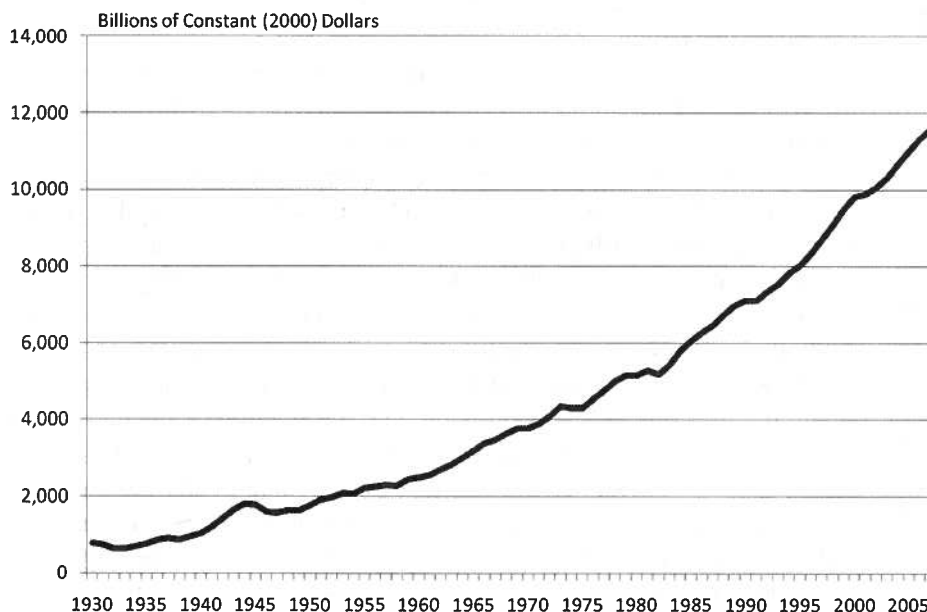
Note: Congressional approval rating data for 1991 and 2009 are missing.

the time.”⁹ The trends reflected here suggest that, as of the end of 2009, Americans’ attitudes toward government are mixed, but remain guarded at best and negative at worst. Furthermore, the data I show here do not reflect partisan differences. While some social scientists and political commentators have argued that mass publics—that is, large groups of people who identify with a common interest—have become politically polarized, meaning that partisans’ attitudes move to the extreme ideological positions of each party, recent research suggests that polarization is less a feature of the political system than of “party sorting,” in which political parties become more closely identified with ideologically grounded policy positions.¹⁰ This partisan polarization contrasts with the 1950s and 1960s, when there were both liberal and conservative Democrats, and liberal and conservative Republicans.

The Economic Environment

The economic environment includes the growth of the economy, the distribution of wealth in a society, the size and composition of industry sectors, the rate of growth

Figure 2.14 U.S. Gross Domestic Product, Constant (2000) Dollars, 1930–2007



Source: Statistical Abstract of the United States, 2009, Table 645.

of the economy, inflation, and the cost of labor and raw materials. Because much of this data is specialized, we will not consider all these aspects of the economy; rather, we will consider the aspects that gain the greatest attention from policy makers and citizens.

The most common measure of economic activity is the *gross domestic product* (GDP), which is a measure of the value of all the goods and services created in the nation in a given year. Annual GDP figures are shown in Figure 2.14.

Economic factors are important because various features of the economy influence the types of policies a society makes; at the same time, we can see that during the financial crisis of 2008–2009 government policies also affected the economy, though often in unclear or unexpected ways. In *Keynesian economics* (that is, the theories of economics pioneered by the British economist John Maynard Keynes), governments spend more and run budget deficits to stimulate the economy when it is in a recession. Keynesians believe that when the economy is strong, governments should run budget surpluses to make up for the deficits incurred during recessions.¹¹ While Keynesian theories have been challenged since their publication in 1936 and came under increasing criticism when so-called supply-side theories of economic stimulus gained prominence in the 1980s, they still have an important influence on policy making, as reflected in President Obama's economic stimulus policies of 2009. Still, many economists and policy makers argued that growing federal

gross domestic product.

The total value of all goods and services produced in a country.

Keynesian economics.

Theories and applications created or inspired by the economist John Maynard Keynes, who argued that countries should accept budget deficits and government spending during recessions so as to stimulate the economy; then, when the economy is growing, tax revenues can pay the debt so incurred.

budget deficit.

The difference between what a government spends and what it receives in revenue.

When a national government runs a deficit, it must often borrow to make up the difference, thereby increasing the *national debt*.

national debt.

The total amount of money owed to a nation's creditors, such as those who hold Treasury bills and savings bonds.

budget deficits made the *national debt* grow too fast. The ultimate fear was that such spending would bankrupt the nation, an unlikely but daunting prospect.¹² With the federal budget deficit for fiscal year (FY) 2009 near \$1.8 *trillion* dollars,¹³ the deficit and the debt have led to major concern about the stability of the U.S. economy, the strength of the U.S. dollar against other currencies, and the ability to pay back the debt in a slowly growing, sluggish economy.

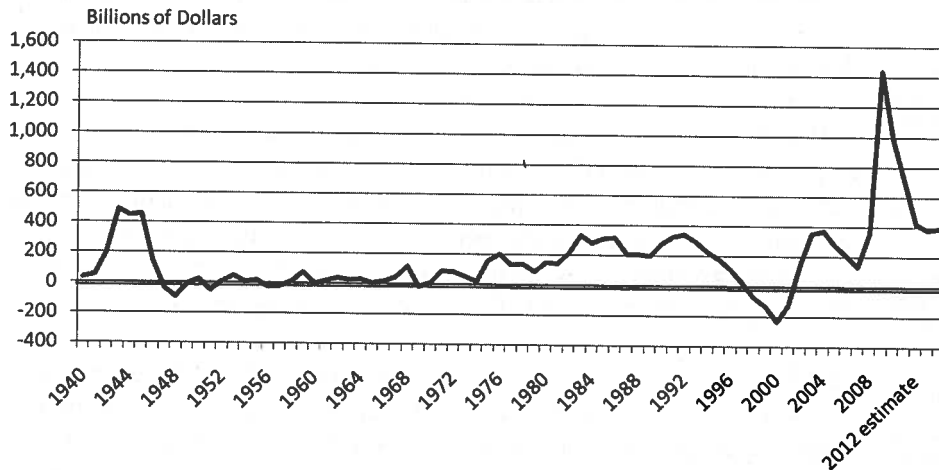
In the 1990s, the federal budget was in surplus for the first time since 1969, in part as a result of the booming economy. Tax collections should rise and government coffers should fill during good economic times, so as to prepare for the next downturn. Starting in the early 2000s, the government ran larger deficits again due to tax cuts, slower economic growth, and the costs of two wars. Starting with FY 2009, those deficits became historically large, rivaling the budget deficits incurred during World War II in terms of the dollar amount of the budget deficit, the rate at which the national debt was growing, and the fraction of the GDP accounted for by the national debt and the yearly budget deficits. These trends are illustrated in Figure 2.15, which shows the constant dollar value of the federal budget deficit or surplus since 1940, and Figure 2.16, which shows the size of the budget deficit and debt in proportion to the GDP. Figure 2.16 lends itself better to assessing the size of budgets and deficits, because it more effectively reflects the relative size of budgets and deficits and the overall economy. Federal debt and spending and economic growth are both dynamic and influence each other. Thus, in times of rapid economic growth, running a level budget deficit would yield a lower deficit-to-GDP ratio. But in 2009 and 2010, the reverse happened: the budget deficit grew as the economy contracted, yielding proportionately huge budget deficits.

These trends are all very important because the policies a government makes are often a function of the overall wealth of the economy, because the resources available to government (through taxes and through its ability to compel behaviors without gravely negative economic consequences) are influenced by current and continued growth and prosperity. Wealthier societies can undertake tasks that less wealthy societies cannot. Of course, wealth is not the only determinant of policy choices. For example, the United States has no national health system or plan as of this writing, and no coherent policies to provide for public employment during economic recessions, even though the country is wealthier than many nations that do provide these services.

transfer payments.

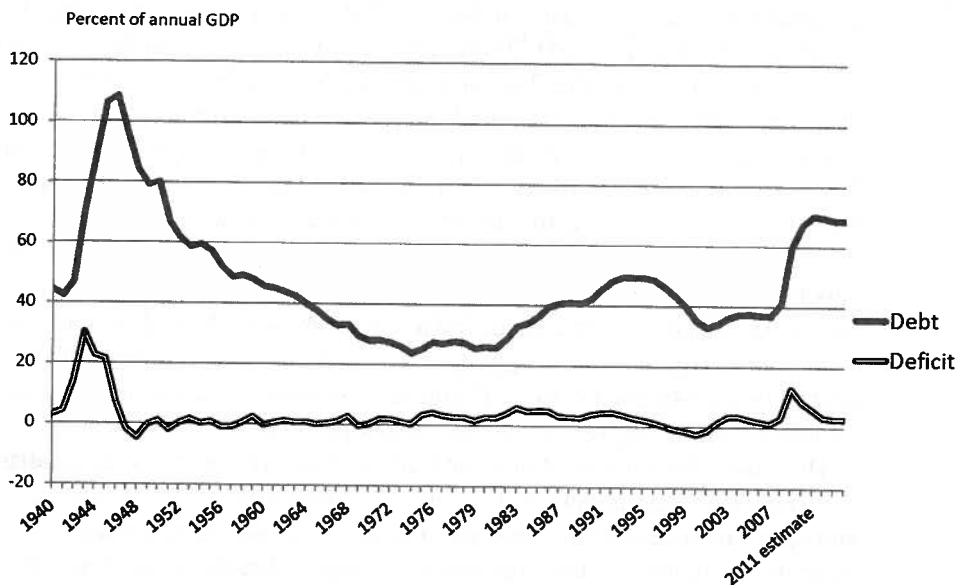
Transfers of money from the government to individual recipients, such as farm subsidies, disaster relief, and various social welfare programs.

Public policy choices are influenced by the economy, but the policy decisions and the daily operations of government also influence the economic environment; they are very much intertwined. As Peters notes, “approximately 51 percent of all money collected in taxes by the federal government is returned to the economy as *transfer payments* to citizens.”¹⁴ Transfer payments involve transfers of money from the government to recipients, such as farm subsidies, disaster relief, and various social welfare programs. The government also buys goods and services from the private sector, ranging from desks and chairs to supercomputers. And tax policies

Figure 2.15 **Federal Budget Deficits and Surpluses, Constant (year 2000) Dollars, 1940–2014**

Source: Source: Office of Management and Budget, The President's Budget FY 2010, Historic Tables, <http://www.whitehouse.gov/omb/budget/historicals/>.

Note: Figures for FY 2009 forward are estimates. Note that scale is reversed; surpluses are negative numbers.

Figure 2.16 **Federal Budget Deficits and Debt as Percent of Gross Domestic Product, 1940–2014**

Source: Office of Management and Budget, The President's Budget FY 2010, Historic Tables, <http://www.whitehouse.gov/omb/budget/historicals/>.

Note: Figures for FY 2009 forward are estimates. Surpluses are negative numbers.

tax expenditures.

Government payments or subsidies in the form of tax deductions or credits; they are called “expenditures” because not collecting a tax is similar to collecting it and spending it.

unemployment rate.

The statistic generated by the federal Bureau of Labor Statistics that shows what proportion of a nation's, a state's, or a region's workers are out of work. It only counts those that are looking for work but are unable to find it and not the underemployed or “discouraged workers” who drop out of the labor force.

influence economic behavior: The mortgage tax deduction encourages people to buy houses and student loan interest deductions may influence people to start or continue college. These are called *tax expenditures* because allowing people to keep money that would ordinarily go to taxes is the fiscal equivalent of taxing people and then giving the money back as subsidies.

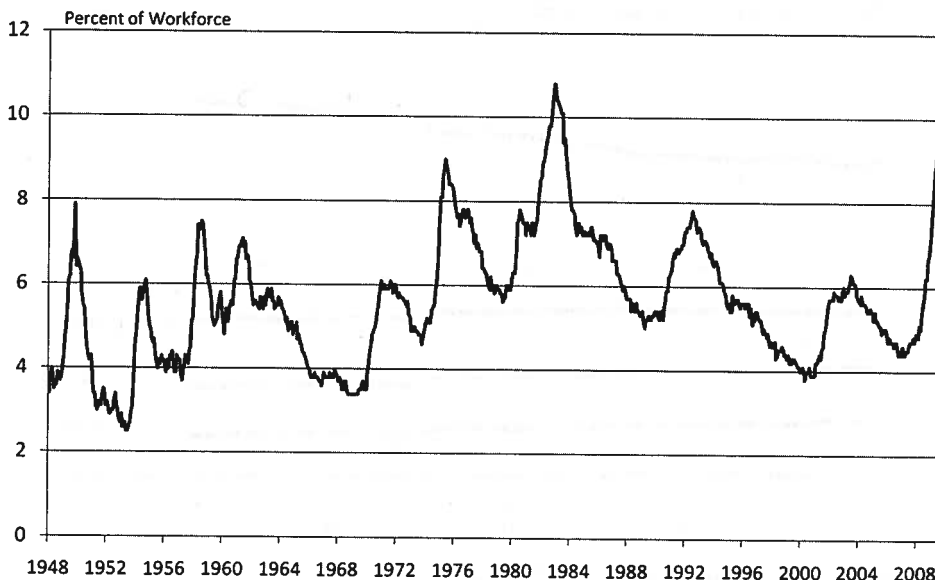
People's perceptions of their economic well-being have a significant influence on politics. While the GDP and the budget deficit are sometimes arcane statistics—particularly considering how huge the numbers are—they are often difficult to grasp and don't relate to individual experience as directly as the *unemployment rate* does. The unemployment rate is the percentage of the eligible workforce (in Figure 2.17, those aged sixteen years and older) who are looking for work but cannot find it. As you can see in Figure 2.17, the unemployment rate tracks closely with recessions in the United States, as one would expect in periods of low or negative growth.

These figures do not reveal the differences in unemployment among different demographic groups. The unemployment rate for college-educated white men in their forties is much lower than the unemployment rate for African American men in their twenties with a high school diploma, or for African American women without a diploma.¹⁵

Finally, as part of the economic environment, let's consider the distribution of income between the most affluent and least affluent Americans. Wealth distribution data are shown in Figure 2.18. This figure shows the percentage of income accounted for by various groups of households. For example, since 1967 the bottom 20 percent of American households have accounted for about 4 percent of all income earned by all households. The next 20 percent of households accounted for just over 10 percent of national income. The most striking trend in Figure 2.18 is the proportion of income that is accounted for by families in the top fifth, whose share of national income grew from a low of 16.3 percent of aggregate income to 22.3 percent in 2007. This fraction has likely declined somewhat, as much of the income in the top category is from investments, the performance of which has been damaged in the 2008–2010 recession. But it remains at recent highs, a result of tax policies that benefited upper-income households but not those at lower income levels. Indeed, if we assume that the second, third, and fourth fifths of the households are the “middle class,” their overall share of aggregate national income has dropped from 53.2 percent in 1968 to 46 percent in 2007; this reflects many commentators' claims that the middle class is being squeezed compared with other economic classes.

How does the United States compare with the rest of the industrialized world in terms of income inequality? Figure 2.19 shows measures of income inequality among all members of the Organization for Economic Cooperation and Development (OECD), and includes the overall European Union figure. The data show the Gini Index for each country, a measure of income inequality where a score of zero means perfect income equality, and 100 means perfect income inequality (very few people earning all the income). As you can see, among the OECD member states

Figure 2.17 Monthly Unemployment Rate, January 1948–November 2009



Source: Bureau of Labor Statistics, www.bls.gov. Figures are seasonally adjusted.

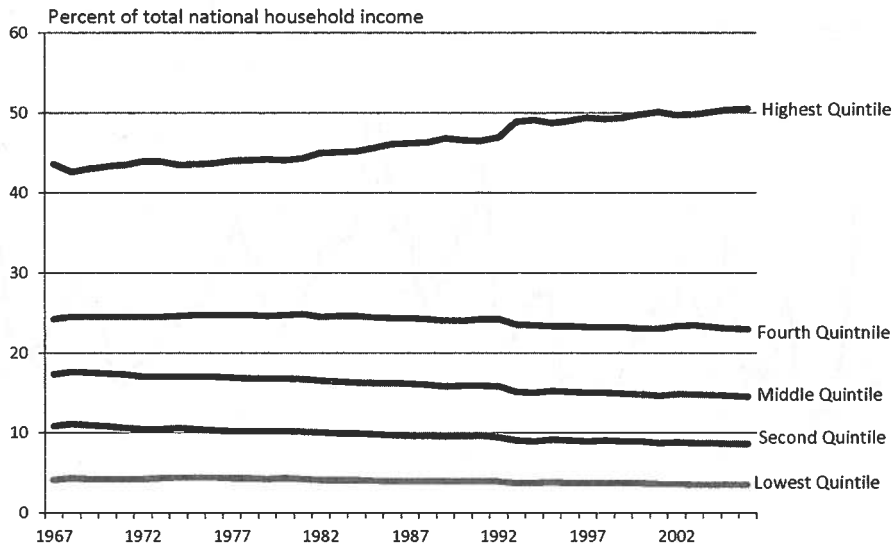
only Mexico shows greater income inequality than the United States. A good comparison is Canada, which looks more like European nations than the United States in terms of income equality. The Gini score for the United States reflects national tax and economic policies that favor higher income households to a greater extent than in other countries.

What does this mean in terms of public policy? On their Web page dedicated to the definition of the Gini Index, the Reut Institute, an Israeli think tank, argues that there is an optimal range in which this index should fall for economic growth:

In their study for the World Institute for Development Economics Research, Giovanni Andrea Cornia and Julius Court (2001) conclude that a Gini Index falling between 25 and 40 is optimal for growth. Extreme egalitarianism inhibits growth by reducing incentives for work and creating room for corruption in the redistribution of resources. Conversely, extreme inequality decreases growth prospects because it reduces social cohesion and stimulates social conflict.¹⁶

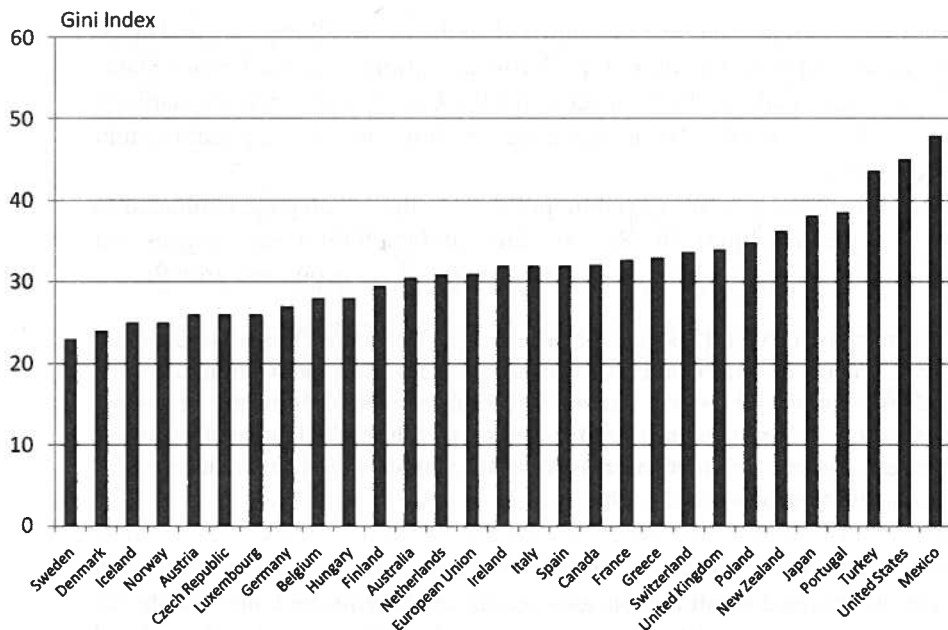
The United States falls slightly above this claimed optimal range, but political tension over income and wealth disparities seems unlikely in the United States as attempts to raise this issue in policy discourse are often dismissed by elected and appointed officials who, like many Americans, are wary of making distinctions based on “class.” Most Americans define themselves as being middle class,¹⁷ and

Figure 2.18 Income Distribution in the United States, 1967–2006



Source: Statistical Abstract of the United States 2009, Table 675.

Figure 2.19 Comparative Income Distribution (Gini Index), OECD States and Overall European Union



Sources: CIA World Factbook 2009, <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2172rank.html>. OECD member nations from www.oecd.org. For an explanation of the Gini Index and its limitations, see the CIA World Factbook or "The Gini Index," The Reut Institute, <http://reut-institute.org/en/Publication.aspx?PublicationId=1621>.

making political appeals to this group is quite popular among interest groups and politicians. At the same time, efforts to distinguish between the benefits enjoyed by the wealthiest and the burdens suffered by the least wealthy—lack of health insurance and regressive taxation, for example—are often dismissed as appeals to “class warfare,” a specter that carries with it shades of “socialism,” an ideology long in disfavor in the United States. But the fact is that income inequality exists and has substantial political and economic implications, ranging from public dissatisfaction with current economic policy to slower economic growth as consumer spending among the middle class declines relative to the overall economy. In the case of unemployment, however, even though the burden of unemployment is unevenly distributed among the population, the broader public tends to view this as a universal problem, not a class-based problem. Government officials who fail to address—or to at least attempt to address—unemployment are likely to suffer at the ballot box. And, of course, the composition of government institutions has important effects on policy making. These connections, while complex, are real and worthy of attention.

Clearly, the trends shown in this section are not the only economic trends worth analyzing. As this is written, interest rates are very low, but when they are high, as in the early 1980s, the implications for consumer debt (credit cards, car loans), mortgages, and other credit are profound. Inflation is also quite low, in large part because of Federal Reserve efforts over the past thirty years to keep inflation low through interest rate policies. Were inflation to become a problem again, it is likely that interest rates would climb, which would have serious implications for the housing and automobile markets. It would also raise the cost of government borrowing, a very real worry in an era of trillion-dollar budget deficits. Other economic indicators that are often used include the major stock market indexes, like the Dow Jones Industrial Average or the Standard and Poor’s 500 (the S&P 500), and the NASDAQ index. These are measures of stock market performance and are related to, but are not the sole indicators of, the economic health of the nation.

Inputs

Now that we have considered key features of the policy-making environment, it’s important to consider the inputs and outputs of the process. The activities of unofficial actors—generally, actors outside the government itself—are policy inputs. We can think of the official institutions, such as Congress and the executive branch, as the processors of these inputs and the creators of outputs, but the individuals who make up these institutions also provide important inputs to policy making. Public opinion—as described in the previous section—is an extremely important input. The types of policy outputs and the tools we use to achieve policy goals are described in chapters 8 and 9. But for now let’s consider broadly some inputs into the policy process.

Election Results

initiative.

A process allowed in some states, by which people can propose and vote on laws via a petition and an election. Contrast with *referendum*.

referendum.

The referral of a proposed change in law to voters for approval. Referendums (or *referenda*) often involve state constitutional change or local decisions on taxation or the issuance of bonds to pay for large capital projects such as roads or new public buildings.

Considering that public policy is made in the public's name, the most obvious place to look for public input might be election results. Voting is the most common form of political participation, and elected officials and the news media often proclaim the results of elections as providing policy guidance or "mandates" to pursue particular policies. In some cases the people are more directly involved with making laws. This is particularly true for states in which there are provisions for citizen *initiatives* or *referenda* that allow people to vote directly on policy proposals.

But interpreting voters' policy preferences in elections for public office is notoriously difficult. People have many different reasons for voting for a candidate, ranging from simple name familiarity, to appreciation for their local representatives' efforts to aid constituents with problems with federal programs (known as casework, and described in chapter 4), to local political considerations that have little to do with national ideology or policy issues. During election campaigns candidates can package their policy decisions in a way that they believe is most attractive to local voters, realizing that casework and redistributive spending (also known as pork barrel spending) may have more of an influence on electoral success than legislative decisions. Furthermore, elections happen at fixed times and politicians have fixed terms: two, four, and six years for the House of Representatives, president, and Senate, respectively. Once the election is held, some elected officials need not worry about voters with respect to daily policy decisions,¹⁸ particularly if they represent "safe" districts. Still, while the connection between voting and policy is sometimes tenuous, elections are important because they do have an influence on the broad policy agenda and because they determine the partisan composition of Congress and other legislative bodies. Parties do have different positions on issues, and the partisan balance in the legislature can influence what policies are most likely to succeed or fail.

Public Opinion

A common way to collect information about public preferences is through public opinion polls, like those cited earlier. Among the better polls are those conducted by or in conjunction with academic institutions. The National Opinion Research Center collects a great deal of public opinion information, particularly at election time. Most people are familiar with big national polls run by newspapers and television networks. Smaller newspapers and other media outlets will subscribe to poll results from reputable national polling firms such as the Gallup and Louis Harris organizations. While many people distrust public opinion polls, we know from years of experience that they are generally good snapshots of broad public opinion.

These polls look at electoral preferences, but pollsters also ask citizens about

important public issues (abortion, school prayer, environmental protection) or general political questions (approval ratings of the president, Congress, and the like). Polls are important because they provide policy makers with a broad measure of public sentiments about key topics. Of course, we do not expect our public officials to be entirely driven by the results of public opinion polls, and, in fact, they weigh other information in reaching decisions. However, many elected officials are often accused of being poll driven; and whether this is a safe political strategy is unclear. But given that elections to federal offices happen, at their most frequent, every two years, polls can provide a way of understanding public attitudes between elections. Decision makers and interest groups can also use polling data to understand what messages will work best in advancing an opinion.

Communications to Elected Officials and Public Managers

Public opinion is not a direct form of communication from citizens to elected officials. There are numerous ways that people can communicate more or less directly with decision makers. Among the most common are letters and e-mail messages to elected officials. Members of Congress receive thousands of phone calls, letters, faxes, and e-mails every year. Much of this correspondence requests help in dealing with a problem with the government (casework), but a good proportion of these letters seeks to urge an official to vote a particular way on legislation. Indeed, many legislators, in their communications with constituents, argue that a prime source of ideas for legislation is citizen input.

This is true, but only slightly. I certainly do not wish to discourage you and other people from writing to elected officials—indeed, at the local level your letters may lead to action on an issue, including a personal meeting to discuss your concerns, legislative hearings, and even new legislation. But the sheer volume of communication with members of Congress and most state legislators suggests that individual letters are noted, but the overall trend of the letters is more important than any single letter. In any case, representatives will often vote based on ideological or electoral concerns, because they may have other information or reason to believe that the position they take will not have bad electoral consequences. Still, elected officials know that acknowledging a letter, even with a noncommittal form letter, is important. In cases where a member of Congress has taken a very public position on an issue, the form letter you may receive may well be very conciliatory but will explain why the member took his or her position. To overcome this tendency of individual letters getting lost in the shuffle, interest groups often mobilize members to send letters or cards to elected officials to serve as a rough gauge of public sentiment on an issue. Officials can get a very basic idea of interest group activity in their district by, in essence, weighing the pro- and anti-issue mail and using this balance as one of a number of inputs to voting and other decisions.

Interest Group Activity

Interest groups have a bad name in American politics. Allan Cigler puts this mildly, saying that “like the public at large, political scientists have often viewed interest groups with ambivalence, recognizing their inevitability but uncomfortable with their impact.”¹⁹ More bluntly, politicians and journalists often rail against the power of “special interests” and contrast their activities with a notion of a “public interest.”

Regardless of one’s attitudes toward interest groups, they are key actors in the policy process, as we will explore in chapter 5. People with similar interests gather to amplify their voices in policy making; if you belong to an interest group like the National Rifle Association, the International Brotherhood of Teamsters, or Greenpeace, you know firsthand that your group wields more power than you do individually or than even a million unconnected, unorganized people can wield independently.

The News Media

As discussed in chapter 5, the news media are important participants in policy making, since they highlight some issues, deemphasize others, and can therefore shape the public discourse surrounding a policy issue. Indeed, interest groups seek to get their preferred constructions of problems into the media to more broadly affect the debate over the issue; elected and appointed officials also use the media to shape the debate.

Public opinion expressed in the media—either as individual stories and anecdotes or through public opinion polling data—is an important but imprecise gauge of how the public and community leaders are thinking about issues. Politicians and policy makers are particularly sensitive to how issues are covered in the media, and, if coverage of their work is going badly, they often lash out at the news media or, more shrewdly, make changes in the course of policy making. A media outcry about a proposed plan of action can stop a policy proposal almost immediately. The agenda-setting function of the media is therefore important in shaping the government agenda.

Policy makers often use the news media as a way of floating trial balloons to assess the reaction of the public. Strategic leaks of information are common, particularly when policy makers are preparing large and complex policy initiatives. From public reaction to these trial balloons, policy makers can make adjustments to their proposals or learn whether they are likely to succeed or fail.

It is important to reiterate, however, that although the news media are very important inputs to policy making, they are not the only inputs: decision makers have more sources of information than most citizens, and they can draw upon other information they gather in their jobs to make their decisions. But if we consider citizen demands as important inputs to the policy process, then we must be mindful

of the role the news media have in shaping the terms of debate, particularly on the most visible, most controversial issues.

Outputs

What does all this activity and the interaction between the environment and policy inputs produce? This produces what we can consider the political system's outputs or the basic statements of public policy that reflect the government's intent to do something. This can range from spending money, to criminalizing behavior, to mounting a public information campaign. These various policy tools are described in greater depth in chapter 8. In this section, we consider the broad types of policy outputs.

Laws

When studying public policy, we are often interested in *statute law*: the laws that are drafted and passed in the legislature and codified in the statute books, such as United States Code or your state's statute books. *Case law* is also a policy output of the government, in this case, the judicial branch. Many people decry "lawmaking by unelected judges," but under our system case law often determines the constitutional bounds under which the legislature and the executive branch operate, or explains how the Constitution requires them to make or not make particular types of policies. The landmark Supreme Court case *Brown v. Board of Education*, for example, prohibited states from segregating schools based on race and required that states desegregate their schools "with all deliberate speed." Both case laws and statute laws specify that agencies of government implement them; that is, they require that they be put into actual practice. Implementation is considered in more detail in chapter 9.

Regulations are the rules that government agencies make to administer the various activities of government. The federal government is a vast enterprise, and laws exist that regulate everything from commercial aviation to shrimp fishing, from toy safety to nuclear power plants. With such a broad range of responsibilities, one might guess that the number of regulations is vast. The current *Code of Federal Regulations* (CFR) takes up at least fifteen feet of shelf space (fortunately, much of it is now available online). A large part of what it contains is highly technical. It is unlikely that you would understand 14 CFR 121 (i.e., Title 14, part 121 of the *Code of Federal Regulations*), the regulations governing various operational aspects of commercial aviation, unless you are a pilot or other aviation professional. But if you are a professional or a well-informed citizen in a particular policy area, you can and should track the *Federal Register*—the daily newspaper of federal regulatory activity—to keep abreast of the key regulatory issues in your field.

statute law.

Laws made by the legislature and signed by the governor. Most such laws are codified into state codes or statutes.

case law.

Laws that are made as a result of judicial decisions and that influence future decisions. Contrast with statute law.

regulations.

The rules made by government agencies and regulatory bodies to implement the meaning of the laws under which the agencies operate. At the federal level, they are codified in the *Code of Federal Regulations* and usually have the force of law.

Oversight and Evaluation

legislative intent.

What the legislature meant in drafting legislation, including what the language of the law should mean. Legislative intent is often difficult to discern by courts or other actors.

evaluation.

The process of investigating whether and to what extent a program has its desired effect.

An increasingly important part of Congress's work is the *oversight* function. Oversight involves "overseeing" programs that Congress has already enacted to ensure that they are being run efficiently and effectively, following *legislative intent*. Oversight has become a more common activity in Congress (see chapter 4). Oversight is undertaken when Congress launches studies—performed by the Congressional Research Service, the Congressional Budget Office, or the Government Accountability Office, all bodies of the Congress—to find out how a program is working and whether and to what extent it can be improved. Congress often holds oversight hearings when there is evidence of some sort of policy failure, such as the hearings held after Hurricane Katrina (2005) and the government's apparently poor performance in that disaster.

Related to the oversight activity is policy *evaluation*, the process of determining whether and to what extent a program is achieving some benefit or its explicit or implicit goals. Policy evaluation is an important aspect of policy analysis and the policy sciences, and entire textbooks and professional courses are designed to teach the skills necessary to perform effective policy evaluation.²⁰ People and groups evaluate—on political and scientific bases—the performance of public policies to suggest ways to make them work better or, in some cases, to provide evidence for why a policy should no longer be pursued. While evaluation can be influential, it is not always effective in altering the course of public policy. For example, many research studies have found that the DARE (Drug Abuse Resistance Education) program did not work well in preventing schoolchildren from using marijuana and other drugs, but the program remained popular for other reasons, such as its visibility and its positive associations with law enforcement. Like any other aspect of the policy process, evaluation is a political activity that is subject to argument and interpretation.

Summary

This chapter summarizes a wide range of environmental variables that influence public policy making. As Paul Sabatier notes in his work on the Advocacy Coalition Framework of the policy process, there are long-standing features of the environment, such as many features of the structural environment, and there are dynamic aspects of the policy environment that can change over time—sometimes very rapidly, as we have seen with the near-collapse of the financial system in 2008. In twenty-first century America, these features from the eighteenth and nineteenth centuries still structure how politics and policy making are conducted in the United States. But modern trends in news gathering and distribution, telecommunications, the globalized, interconnected, "flat world" economy,²¹ and its accompanying social changes mean that the policy environment—and the problems it poses—are among the most challenging faced by policy makers. However, one should not make too much of these challenges—while all

people involved in the policy process must consider them it is important to understand that there have been other, perhaps more challenging, eras of American history—the Civil War, the industrial revolution, mass immigration, World War II, the darkest days of the Cold War—where the challenges seemed equally daunting, if not greater. While no political system is “perfect,” the challenges posed by the policy environment are often met by policy makers. In the next chapter, we will see how policy makers confronted the challenges through the various eras of American policy making.

Key Terms

Administrative Procedure Act	Gross Domestic Product	Referendum
Black box	Initiative	Regulations
Budget deficit	Input-output model	Separation of powers
Case law	Keynesian economics	Statute law
Demographer	Legislative intent	Systems thinking
Depression	National debt	Tax expenditures
Evaluation	Open public meetings laws	Transfer payments
Federalism	Policy environment	Unemployment rate
Freedom of Information Act	Recession	

Questions for Discussion, Reflection, and Research

1. What are the strengths of the stages model of the policy process? What are its weaknesses?
2. What are the strengths and weaknesses of any systems model of any political or social process? How might you overcome the weaknesses you have identified?
3. The trends shown in this chapter are national trends. How does where you live compare with the national trends outlined here? For example, is your state, or county, or metropolitan area experiencing a higher or lower rate of unemployment? What is economic growth (defined as growth in the *state* domestic product) compared with the national trend? Various state economic development and budget offices should have these data.
4. What are the policy implications of the trends you found in the previous question for your community?
5. As tough as times are for the economy, and as contentious as politics seem to be, are there times when American politics have been more contentious? When have the policy-making challenges posed by the economic, social, political, and structural environments seemed even more daunting than they do today? How were these other eras handled by policy makers? Would you say that policy makers successfully addressed those challenges? Why or why not?

Additional Reading

Students with an interest in the systems approach to politics might consider reading David Easton's works: *A Framework for Political Analysis* (Chicago: University of Chicago Press, 1968) and *A Systems Analysis of Political Life* (New York: John Wiley and Sons, 1965). However, systems analysis and system dynamics studies have evolved a great deal since the late 1960s. Recent works on systems of interest to social scientists include Donella H. Meadows and Diana Wright, *Thinking in Systems: A Primer* (White River Junction, VT: Chelsea Green Pub., 2008) and Virginia Anderson and Lauren Johnson, *Systems Thinking Basics: From Concepts to Causal Loops* (Cambridge, MA.: Pegasus Communications, 1997).

The "textbook" model or "stages" model of the policy process is no longer a major foundation of policy theory, but its value continues as a way of formulating how we organize the policy process for ongoing analysis and study, as Peter deLeon argues in "The Stages Approach to the Policy Process: What Has It Done? Where Is It Going?" in *Theories of the Policy Process*, edited by Paul A. Sabatier (Boulder, CO.: Westview, 1999). A more complete critique of the stages model is provided in chapter 10.

Readers interested in finding the original data used to construct the charts in this chapter—or interested in finding additional information—should look to the following sources as a good starting point:

- The Bureau of Labor Statistics—www.bls.gov—data on income, labor, employment, and the like
- Office of Management and Budget—www.whitehouse.gov/omb—key source on federal budget information, including historical data
- Statistical Abstract of the United States—www.census.gov/compendia/statab/—provides all its tables as spreadsheet files for easy downloading and analysis

Notes

1. Robert T. Nakamura, "The Textbook Policy Process and Implementation Research," *Policy Studies Journal* 7, no. 1 (1987): 142–54.

2. Peter deLeon, "The Stages Approach to the Policy Process: What Has It Done? Where Is It Going?" in *Theories of the Policy Process*, ed. by Paul A. Sabatier (Boulder, CO: Westview Press, 1999).

3. George D. Greenberg, Jeffrey A. Miller, Lawrence B. Mohr, and Bruce C. Vladeck, "Developing Public Policy Theory: Perspectives from Empirical Research," *American Political Science Review* 71, no. 4 (1977): 1532–43.

4. Laura Shrestha, "The Changing Demographic Profile of the United States," CRS Report for Congress, updated May 5, 2006, <http://www.fas.org/sgp/crs/misc/RL32701.pdf>.

5. Shrestha, "The Changing Demographic Profile," pp. 23–24.

6. John W. Kingdon, *Agendas, Alternatives and Public Policies*, 2d ed. (New York: Harper Collins, 1995), 146–49.

7. This anxiety was perhaps best expressed in a William Wyler film, *The Best Years of Our Lives*, which dealt with the postwar letdown experienced by three servicemen, their families, and their communities. Indeed, this film is

one of the few post–World War II films to address these issues, and many postwar histories overlook the short-term downturn in the economy—and the accompanying postwar anxiety—that accompanied this period.

8. Clarke E. Cochran, Lawrence Mayer, T.R. Carr, and N. Joseph Cayer, *American Public Policy: An Introduction*, 6th ed. (New York: St. Martin's Press, 1999), 12.

9. Ralph Erber and Richard R. Lau, "Political Cynicism Revisited: An Information-Processing Reconciliation of Policy-Based and Incumbency-Based Interpretations of Changes in Trust in Government," *American Journal of Political Science* 34, no. 1 (February 1990): 236.

10. Morris P. Fiorina and Samuel J. Abrams, "Political Polarization in the American Public," *Annual Review of Political Science* 11, no. 1 (2008): 563–88.

11. Keynes's classic work is *The General Theory of Employment, Interest and Money* (London: Macmillan, 1936). His work is placed in a broader context in Robert L. Heilbroner, *Great Economic Thinkers*, 7th rev. ed. (New York: Simon and Schuster, 1999). Keynes's ideas are discussed in Charles L. Cochran and Eloise F. Malone, *Public Policy: Perspectives and Choices* (New York: McGraw-Hill, 1995), 160.

12. Cochran and Malone, *Public Policy*, 160.

13. Jackie Calms, "U.S. Budget Gap Is Revised to Surpass \$1.8 Trillion," *The New York Times*, May 11, 2009, <http://www.nytimes.com/2009/05/12/business/economy/12budget.html> (accessed December 1, 2009).

14. B. Guy Peters, *American Public Policy: Promise and Performance* (Chappaqua, NY: Chatham House/Seven Rivers, 1999).

15. "The Jobless Rate for People Like You," *The New York Times*, November 6, 2009, <http://www.nytimes.com/interactive/2009/11/06/business/economy/unemployment-lines.html>.

16. The Reut Institute, "The Gini Index," <http://reut-institute.org/en/Publication.aspx?PublicationId=1621>.

17. For example, Senator John McCain was castigated by Governor George W. Bush for proposing a tax plan that clearly benefited the upper classes more than it helped lower-class people. See, for example, Robert Reno, "Of Course He's Conservative; What More Must McCain Do to Preserve His Credentials?" *Minneapolis Star-Tribune*, January 25, 2000, 13A. The same trend was seen in the 2008 election, where middle-income people like "Joe the Plumber" claimed that President Obama's plans to raise taxes on the very highest earners—those earning more than \$250,000 a year—would affect middle-income earners. On the question of the size and nature of the middle class, see Dinesh d'Souza, "The Billionaire Next Door," *Forbes* (October 11, 1999), 50–59.

18. A discussion of the relationship between voting and policy making is found in Michael Howlett and M. Ramesh, *Studying Public Policy: Policy Cycles and Policy Subsystems* (Toronto: Oxford University Press, 1995), 53–54.

19. Allan J. Cigler, "Interest Groups: A Subfield in Search of an Identity," in *Political Science, Looking to the Future*, vol. 4, *American Institutions*, ed. William Crotty (Evanston, IL: Northwestern University Press, 1991), 99.

20. See, for example, Edith Stokey and Richard Zeckhauser, *A Primer for Policy Analysis* (New York: W.W. Norton, 1978); Joseph S. Wholey, Harry P. Hatry, and Kathryn E. Newcomer, eds. *Handbook of Practical Program Evaluation* (San Francisco: Jossey Bass, 1994).

21. Thomas Friedman, *The World Is Flat*. (New York: Picador, 2007).