



SC1: Public Policy

Module 7

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Module 7

Policy-making: Contemporary issues

Introduction

Previous modules have focused on the policy-making process and system. Much of this discussion has been about policy theory in the abstract. This module will focus on some of the issues or pressures in the policy environment of significance for policy-making. These issues may have a strong impact on policy processes.

Worldwide trends and economic developments underlie other issues. As global communications become more rapid and information sharing more extensive, remedies are borrowed from other countries. Individual nations are under more pressure to adopt global agreements and regulations. These agreements then impact on national policy choices. Changing demographics also have an impact. For instance, the increasing education and awareness of the public as a whole, places growing pressure on elected representatives to be more accountable to their constituencies and to the public.

Other issues which have an impact or which may exacerbate those identified above include: population increases, aging populations, nuclear threats and rapid technological developments. There may be other issues that you consider equally important that have been omitted, but this module cannot cover all of the issues.

Think about the following questions:

- Is policy-making the same everywhere, or are there particular issues that affect how it is undertaken in different places and at different times?
- What contemporary issues affect policy-making around the world?
- Can the ideals of ethical, accountable and transparent policy-making be achieved?
- What are the constraints to achieving this?



Outcomes

Upon completion of this module you will be able to:

- *analyse* the way ethics are incorporated into policy-making processes in different contexts and evaluate the strengths and weaknesses of this
- *explain* the importance of accountability in government activity and analyse some of the key strategies and methods that might be used in policy to ensure accountability
- *identify* how policy is implemented and evaluated and how this may lead to accountability, or fail to do so
- *explain* the importance of transparency in public policy and discuss some of the ways it might be achieved
- *identify and discuss* other important contemporary issues in policy-making, such as participation and consultation, and economic pressures.

Ethics, accountability and transparency

These three issues are closely intertwined. Although presented separately, the distinctions are to some degree artificial. It is almost impossible to talk about one of these issues without referring, directly or indirectly, to one or more of the others.

In addition to the mechanisms discussed below, in any country there will be a whole range of administrative law practices that help citizens to seek redress for maladministration or to investigate some problem with their treatment under various policies. Tribunals, ombudsmen and other practices are part of this.

Ethics

Ethical behaviour can be described as behaviour that is morally acceptable, “good” and “right” as opposed to “bad” and “wrong” in a particular social context (Wood, Wallace & Zeffane, 2001). A huge amount of literature is available about ethics as it applies in different contexts – social, organisational and otherwise. We can define ethics in terms of the type of approach used to describe it. Note the main concern in the following approaches:

- The **utilitarian view** – that the most good be delivered to the greatest number of people
- The **individualist view** – one’s own long-term self-interest
- The **moral rights view** – respects fundamental rights shared by all human beings
- The **justice view** – fairness and impartiality in treatment of people.

(Wood et al. 2001, p. 25)

Henry (1995) presents a different breakdown as below:

- **Contractarianism** – Public interest can be discerned in most situations by applying principles of justice for equal rights and access to opportunities.
- **Intuitionism** – There is a plurality of first principles, which may conflict. When this occurs intuition is used to resolve the dilemma.
- **Perfectionism** – The main goal is attainment of excellence in art, science and culture.
- **Utilitarianism** – The net balance of social satisfaction summed over all individuals belonging to a society should increase.

(Henry, 1995, cited in Stewart, 1999, pp. 289-290)

Corbett (1996) tells us that almost “every decision taken by a public sector manager has an ethical dimension” (p. 218). There are many actors in the policy cycle; all are involved in the ethics of policy-making.

- **Political players** – ministers and their staff who consider political implications of a policy
- **Policy advisers** – departmental and agency officials and policy specialists who provide detailed advice and submissions
- **Administrators** – public servants who implement and/or evaluate cabinet decisions and laws.

(Bridgman & Davis, 2000, p. 122)

We suggest you revisit Figure 4.7 in Module 4 to consider the different perspectives and values that might be held by members of the political and permanent executive. These will raise ethical issues that can be linked to the role of the person involved. This can be called “ethic of role”. Political personnel will consider whether their actions are sensible for their government, for their own re-election and that of their party. They will mostly – but not always – pursue political objectives (Bridgman & Davis, 2000, p. 123 citing EARC, 1992). Although politicians may pursue political objectives themselves, they cannot insist that public servants do political work for them. But there is often a fine line between the political and the administrative. For instance, it may not be appropriate for a minister to select staff (Bridgman & Davis, 2000) though this will depend upon the accepted practices in the political system. In many cases the public employee is expected to be politically neutral. If this is so, having ministers involved in selecting staff members may provide an opportunity to vary the number of people influencing a policy in one political direction.

Public servants or public officials, apart from being expected to be loyal and honest, should also show “care not to undermine public confidence in the government or its members” and should exhibit “responsiveness, accountability, integrity, diligence, economy and efficiency” (Bridgman & Davis, 2000, p. 123). As is often said, they must provide policy advice “without fear or favour” and avoid political involvement with their political masters and/or the previous government (p. 123). There are two



main ways in which principles of justice might be expected to be applied in public sector policy:

1. **Procedural justice** – Rules and procedures need to be followed as specified to ensure due process
2. **Distributive justice** – All people should be treated equally and fairly under the same policy area regardless of their race, age, gender, ethnicity, or other characteristics.

(Wood et al. 2001, p. 25)

Stewart (1999) provides a similar way of explaining the ethical issues facing policy-makers, particularly public servants, stating that they need ethical guidance on the following:

- **Modus vivendi** – the “way to live” or cope with diverse policy challenges, doing things in the “public interest”, if that can be easily defined
- **Value choices** – making choices and/or deciding whether to advocate for or negotiate a policy outcome
- **Modus operandi** – the particular way to perform a task or action.

In reality, these ideas might be somewhat problematic if societal norms allow for or require different treatment – for genders or people of different social groups. There is often tension between existing social conditions and the demand by various groups within the society for change in the name of equity or justice. This is a fundamental dilemma that faces policy-makers. Also, the kind of behaviour required for new public management (more like the private sector) might be more focused on ends – which could entail efficiency, innovation and flexibility – rather than the more constraining focus on means of achieving policy – such as due process, and formal, inflexible procedures and rules (Stewart, 1999).

Stewart (1999) uses the contractarian, intuitionism, perfectionism and utilitarianism principles to explain *modus vivendi* ethical issues. For value choices, he uses Weimer and Vining’s typology to characterise public servants as objective technicians, advocates for clients and/or advocates for issues.

With regard to *modus operandi*, Stewart provides the following list of leadership behaviours for public servants in policy-making contexts. He notes that these are not easily reconciled with value choices based on the public interest.

- **Reconciling inconsistent views** – Public servants cannot argue against policy if they have a disagreement with their political masters about the content of the policy, but they are expected to speak up against any corruption or injustice they perceive in policy processes.
- **Doubtful assumptions and unwarranted cynicism** – Despite purported loyalty, public servants may have their own values and own implicit favourites in decision-making that might affect their assumptions and cynicism about particular proposals. They need to guard against this.

- **Public managers as explorers** – Public servants can be viewed not as clerks or martyrs but as explorers for answers and solutions to issues of public value.
- **“After-the-fact” accountability** – While approval before the fact is desirable, it is sometimes appropriate for public servants to take action and seek approval later.
- **Strategy as enhanced accountability** – Public servants have more sophisticated roles nowadays and can make important contributions and suggestions to policy, though these should be within the aims of the political executive and have a strategic and coherent vision in terms of public value and practicality.
- **Substantive and operational risks** – Public managers have to take risks and make guesses about future directions.
- **Risking democratic accountability** – Issues are not always about substance and operations; sometimes public managers will need to respond to, and engage in, political environments.
- **Obligations to one’s subordinates** – There is a requirement for some loyalty to subordinates and the good management of an organisational block. The public interest cannot be pursued at the expense of the working arrangements of public servants (the implication here is serious and detrimental changes).
- **The limitations of traditional answers** – Public managers have an affirmative duty to expose their organisations to change rather than insulate them from it, if public priorities change.
- **The duties of public executives as explorers** – There is a publicly accountable need for public managers to search for public value and articulate a vision, in accord with their political masters and what their expertise and experience tells them.

(Stewart, 1999, pp. 291-293, citing Moore, 1995)

This list is detailed, but gives a very clear impression of the deeply complex and sometimes conflicting roles and aims specifically of public servants or public managers in policy-making. If we add to this the roles of politicians and other contributors, such as interest groups and judges, we can see just how fraught with ethical issues the entire public policy arena can be.

There are increasing pressures for declarations of interests – usually financial – by both elected representatives and public servants. Codes of conduct are intended to provide clear guidelines to employees and elected representatives about what is appropriate behaviour. Such codes may have limited effectiveness, but their very existence suggests that there is great concern about the actions of politicians and public servants. How they actually influence employee behaviour and thereby affect the outcomes of the policy processes requires considerable investigation. If we accept that public servants have an impact on policy, then it may be appropriate to take action to limit, monitor, or control their influence, or at least make them accountable in some way. Thus, a code of conduct provides one way of trying to bring about ethical behaviour. Stewart

(1999) tabulates some principles for ethical codes for public servants as a professional group (Table 7.1) below.

Table 7.1: Principles for managing ethics in the public service

Ethical standards for public service should be clear.	There should be clear guidelines for interaction between the public and private sectors.
Ethical standards should be reflected in the legal framework.	Managers should demonstrate and promote ethical conduct.
Ethical guidance should be available to public servants.	Management policies, procedures and practices should promote ethical conduct.
Public servants should know their rights and obligations when exposing wrong-doing.	Public service conditions and management of human resources should promote ethical conduct.
Political commitment to ethics should reinforce the ethical conduct of public servants.	Adequate accountability mechanisms should be in place within the public service.
The decision-making process should be transparent and open to scrutiny.	Appropriate procedures and sanctions should exist to deal with misconduct.

Source: Stewart (1999), p. 288, quoted from from OECD 1998 PUMA policy brief No. 4

Finally, while ethics is a distinct topic area, it is also implicitly tied to the whole notion of accountability in public policy. Accountability definitely extends to ensuring that “ethical” behaviour, however that is defined by a particular society, occurs throughout the entire policy cycle.

Case studies



Case study

Case study comments

Case 2: One of the key issues that kept emerging regarding the HECS policy was equity, which is clearly related to the idea of distributive justice.

Case 4: Universal service is definitely an argument for base level distributive justice for all citizens. While competition is valued, there is an ethical position that everybody should at least have a basic level of service at affordable rates (p. 77).

Case 5: There were issues of human rights connected to the Bhopal victims – to choose their own counsel and to seek maximum individual redress for the damages. Instead, the action of the Indian government in taking the role of *parens patriae* removed these from its citizens (p. 87–88). From a moral standpoint, one can ask whether it was the duty of Union Carbide to tell its employees about the risk they faced. The subsequent analysis suggested that the federal United States government and many US state governments certainly thought so (p. 94). It is also

worth thinking through whether there were differences between the private and public sector responses to the tragedy in terms of minimising the costs of damages by choosing Indian or American courts to hear the case. The Indian government sought to look after its citizens in this process, presumably with some sense of moral duty. The article shows the American government being concerned with its own citizens – though not clearly dismissing Indian citizens. There are some potentially interesting ethical issues that are not articulated but are worth considering in the case in relation to global versus national concern for human beings.

Case 8: The moral rights of the people affected by the dam are a strong point in this case. The author mentions these on p. 144 when she says “The defence of their rights to just compensation and re-settlement is where the [Andolan] movement began”.

Case 9: If money is being taken by corrupt intermediaries there are ethical and moral issues that everyone should be concerned with.

Activity 7.1



Activity

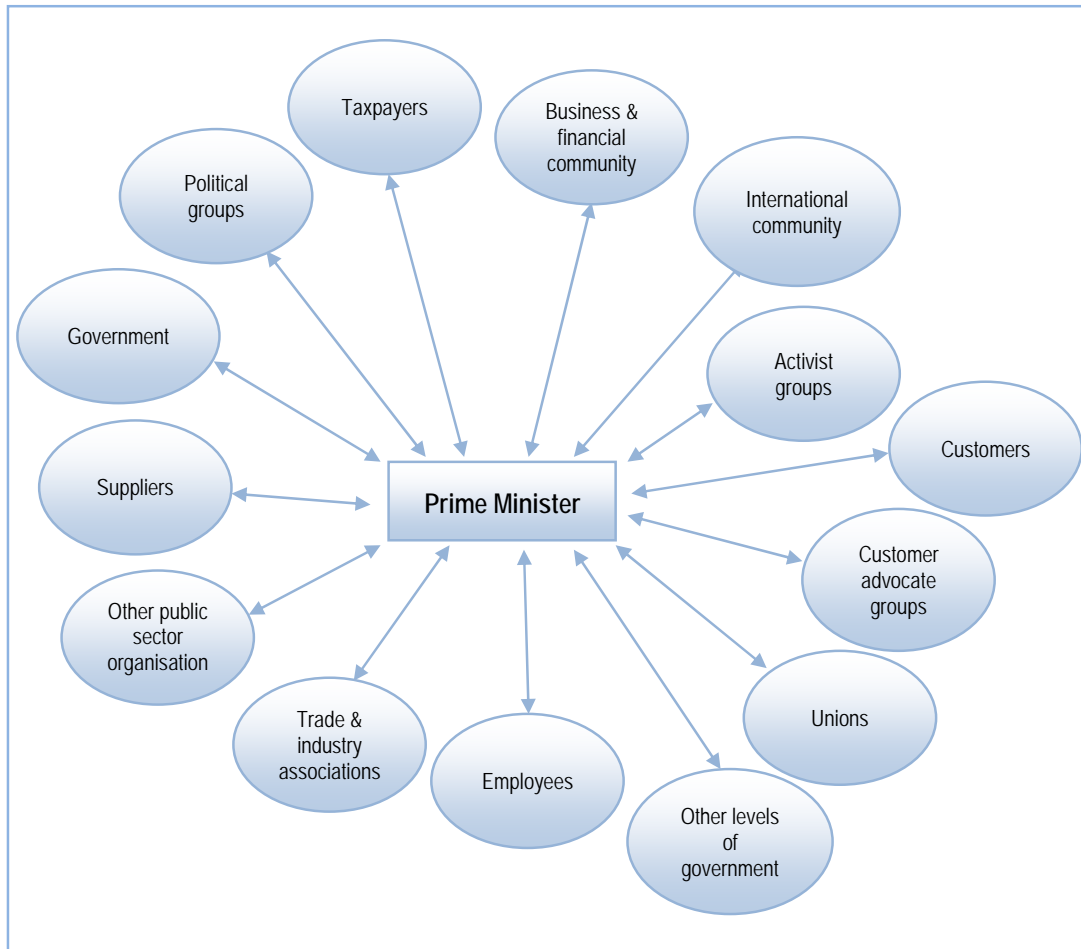
1. If you work in the public sector, find out whether there is a code of conduct that governs your behaviour. If so, compare it to the principles and points made in the section above to assess whether the code can achieve its stated aims. Evaluate how workable such principles are in a realistic context.
2. What weaknesses do you think there are in the code of conduct's mechanisms to bring about ethical behaviour? Draw on your own awareness of actual levels of ethics in policy-making and the prescriptive literature discussed above.

Accountability

Many reviews have identified the need for more accountability for government, though accountability has always been an implicit issue. If you consult the index of most public sector management or policy books for accountability you are likely to find many page references. Alternatively, you may find none, since the topic warrants its own chapter or is so much a part of the book's content that it is a fundamental concept used repeatedly throughout the book.

Public sector accountability is different from that of the private sector. It is not about the bottom line, but rather about adding value to the community (Crawford 1996). If private sector accountability is to shareholders, public sector accountability can be seen more clearly as being to stakeholders. See Figure 7.1 (below) to see the diverse nature of stakeholders.

Figure 7.1: A sample stakeholder map as seen by political executive



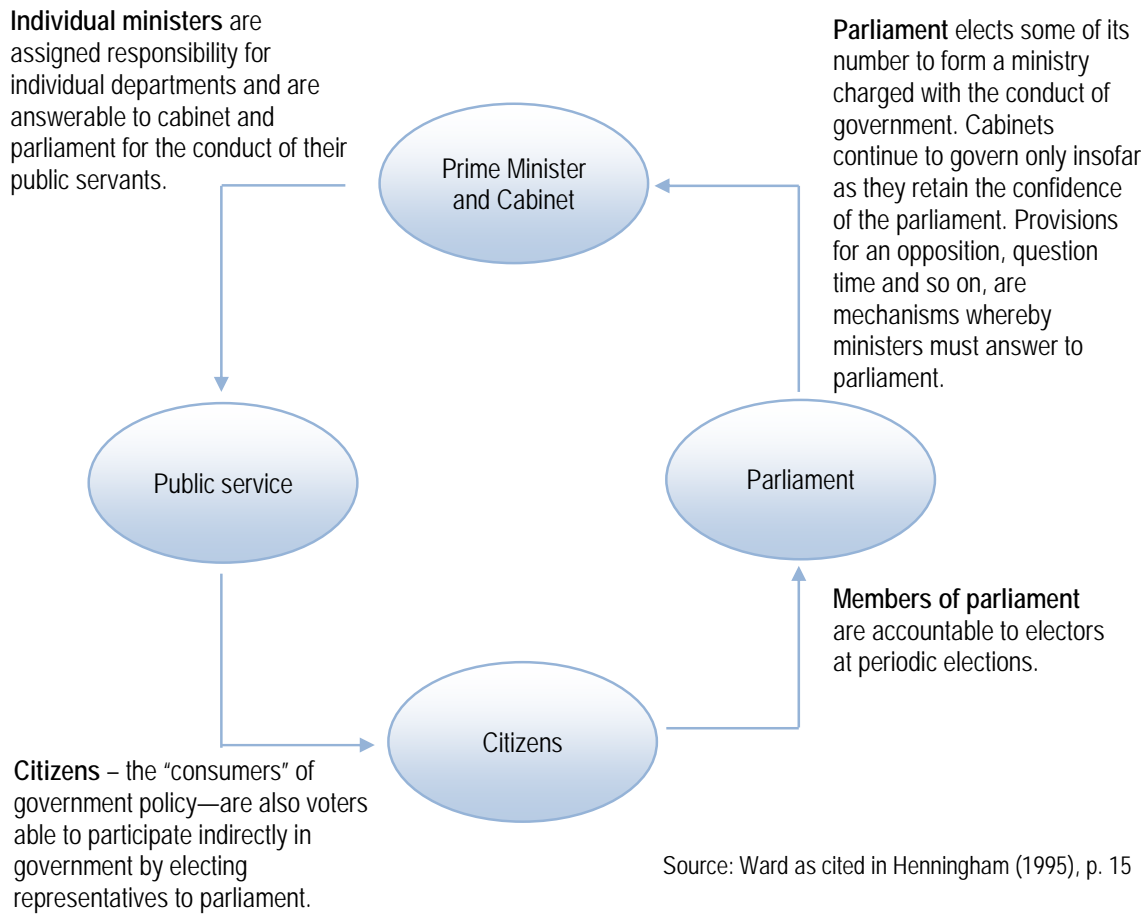
Source: Adapted from Stewart (1999), p. 312

Thynne and Goldring (1987) present an extensive analysis of accountability for government officials. Fundamentally, under the Westminster system:

...[T]he formal conferring of executive authority on Ministers gives rise to their obligation to **account** to Parliament for their own conduct and for the conduct of officials acting under their control (p. 6).

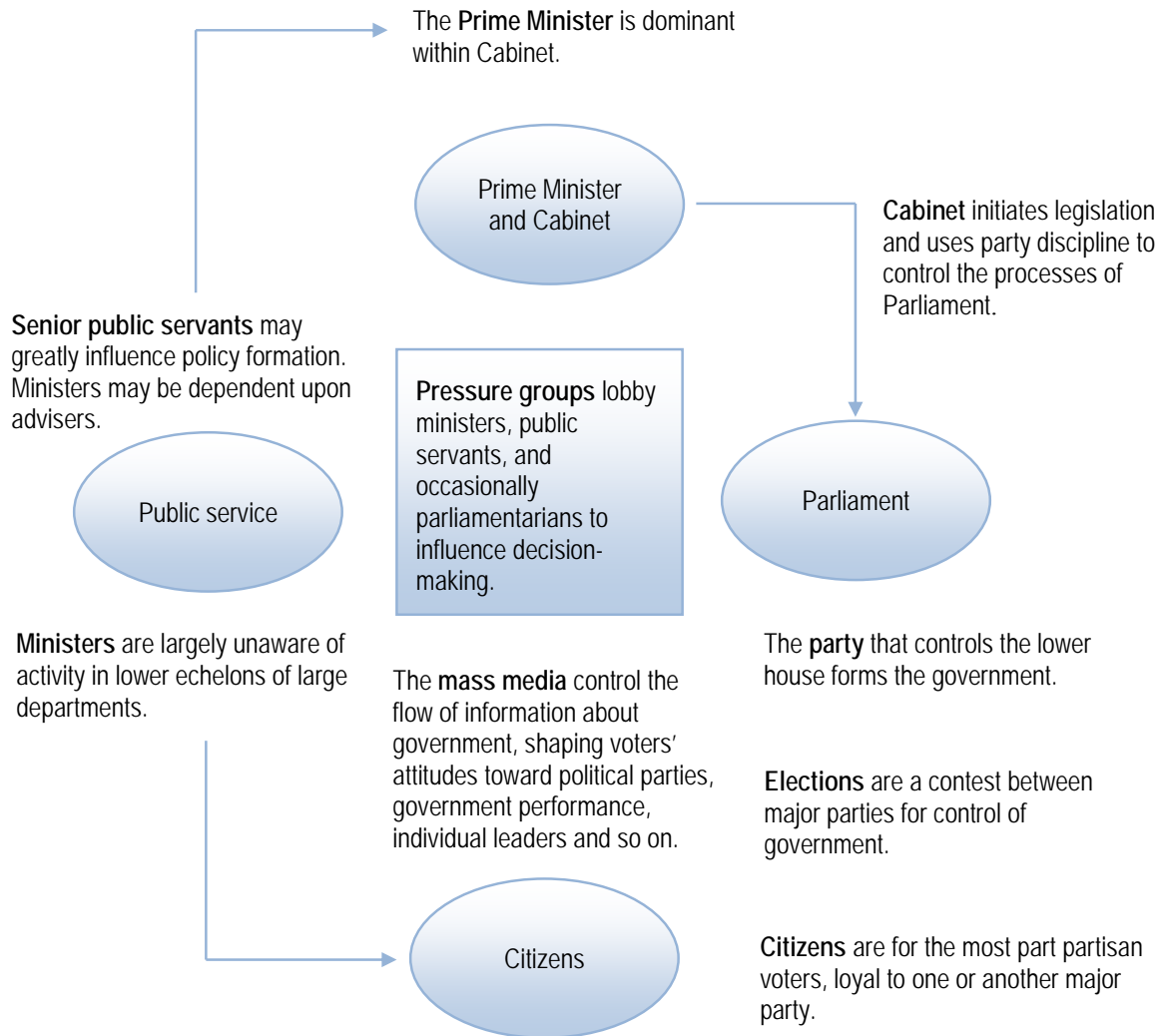
There is, according to Thynne and Goldring (1987, p. 6) a line of parliamentary-directed accountability and a corresponding ministerially directed line of accountability. Ward (1995) provides an annotated version of the chain of accountability in the Westminster system (see Figure 7.2 below).

Figure 7.2: The Westminster chain of accountability



This simple model is more complicated in federal Westminster systems and other types of systems such as that of the United States. It is worth also looking at Figure 7.3 to see another view of how the chain of accountability can break down in the real practice of policy-making and day-to-day government activity. This is one view, and in this case Ward is drawing on the way the system manifests itself in the federal system of Australia. This draws our attention to the need to question models and apply them to the particular context in which they operate.

Figure 7.3: Breakdown in the chain of accountability



Source: Ward as cited in Henningham (1995), p. 31

Lane (1995) makes the following point in relation to accountability and public policy:

...Political accountability and administrative as well as professional responsibility are impossible without the notion of implementation of public policy. If it is not possible to evaluate the extent to which objectives and outcomes match, then public accountability is meaningless (p. 109).

It is also to be expected that any policy following implementation will be very much anchored in a spirit of accountability – for instance, appropriate and effective spending of taxpayers' money. Suggestions for

accountability, or reforms relating to accountability, have included financial reporting, auditing, management performance, access to information including freedom of information, and conflict of interest considerations (codes of conducts, etc.). In broader terms, policy-makers (political or administrative) are accountable for policy being formulated and carried out in accordance with the constitution, the promises of political platforms, and the stated aims and methods of policy statements.

Accountability is a pivotal concept in democratic governance, underpinning most analysis. Its constant presence dictates the behaviour of policy-making actors, both in terms of the responsibility of those charged with policy-making, and the behaviour of those observing and seeking to influence it from the wider society.

Politicians are typically held to account by the ballot box every few years. Serious breaches of responsibility can result in the dismissal of politicians but usually this occurs at the following election. Public inquiries such as Royal Commissions typify another form of public accountability. When established to examine problems in the public sector they are usually required to examine some crisis, mismanagement, or maladministration that impacts upon the public. In doing this they bring to public light mistakes, errors in judgment and bad practices that affect the ways policies are developed and executed. Public servants are less directly accountable. Despite the potentially powerful positions of some, there has been little formal constraint or analysis of their actions. However, there is increasing pressure. Legislation providing freedom of information in many nations provides an avenue for the public to gain access to information previously withheld. It is possible that some of the actions taken in the policy process, may be identified in such a process. If the public takes advantage of such legislation, there may be much more exposure of the influences on policy-making and implementation of decisions. The values brought to the process, and the utilisation of power and influence, may become more visible. Some of the points made in the Ethics section above make these points clear. The importance of accountability cannot be overstated. Review the Ethics section if you are unclear about any of this material.

Case studies



Case study

Case study comments

Case 9: While any foreign aid generates accountability to the provider for how the money is spent, this is highlighted in the case when the likely accountability of NGOs to Western donors is discussed (p. 149).

Activity 7.2



Activity

1. What are the differences between accountability and ethics and how do they relate to each other? Is it possible to have one without the other?
2. Using Ward's chain of accountability and the breakdown in the chain of accountability (Figures 7.2 and 7.3), draw up an account of the chain of accountability in your own country.
3. Is accountability an achievable goal in public policy? Explain your argument.

Transparency

Transparency refers to the actions of those in government being visible rather than hidden, or covert. Its underlying premises relate to accountability and ethics, a meaning that suggest not only that things should be done right but that they should be seen to be done so. This is not about the appearance of doing things accountably and ethically, to the point that governments in their day-to-day practices create a culture of making their activities easy to see – open and visible. Another way to state this would be to emphasise that the reasons and actions behind a decision should not just be “findable” after extensive and detailed questioning and investigation, but should be readily transparent in the first place, or at least after minimal inquiry. This would also help the judicial review of decisions, as courts could simply and quickly refer to the required explanations behind decisions.

Thus, a pragmatic and popular way to achieve this, and to minimise the need for investigation or challenge, is to explain the reasons for decisions when they are made. Public agencies in many countries, especially in the West, are required “to make explicit the reasons behind particular decisions” and decision-makers are “required to abide by due procedure and record for accountability purposes the specific reasons for a particular decision” (O’Faircheallaigh, Wanna & Weller, 1999, p. 211). This allows aggrieved citizens to discover the formal reasons for a decision and, if it is perceived to be flawed or unfair, to challenge the decision. Judges in the courts can review the reasons for the decisions and reaffirm the decision, or overturn it on a procedural basis. Such a determination would not be made on substantive grounds (for instance, on the basis of later evidence, or personal preferences) but on procedural grounds only (p. 211).

Typically such review of administrative decisions relates to those about individuals, for instance tax assessment, or immigration applications (O’Faircheallaigh et al., 1999). If nothing else, having more transparency in decision-making should reduce the number and/or duration of administrative appeals cases. Typically, some areas are excluded but only by virtue of the sensitivity of their nature, such as intelligence information for reasons of national security. General matters can be included, though

most of these sorts of decisions tend to be individual (p. 212). It is to be imagined that failure to comply would consistently, or eventually, cost the non-compliant agency considerable costs in terms of correctional action (after court decisions) or legal costs (p. 212).

Case studies



Case study

Case study comments

Case 2: There is an interesting issue of transparency that might not have occurred in the policy process but which seems visible in the author's account. The case shows some "behind-the-scenes" dealing and thinking that is not so unusual in policy-making though it is uncommon to see it openly written about. The policy produced a method of payment for education which also has relative transparency – students know how the scheme works and how to calculate their costs. However, it does not appear that this was an explicit part of the policy as it was formulated.

Case 9: According to the author of this case, the most effective aid agencies are those that are most responsive to local needs, open to public scrutiny and endlessly self-critical (p. 148–149).

Activity 7.3



Activity

1. Is transparency just another accountability mechanism?
2. If so, what is its particular feature and what benefits do you think it serves?
3. Is transparency a key issue in your country?
4. If so, how does it work?
5. If not, should it be?

Participation and consultation

There is now extensive literature on public participation and consultation in policy-making processes. The levels of involvement suggested by "participation" range from complete devolution of decision-making power to token involvement. A closely allied term "consultation" can mean anything from a high level of ongoing involvement to mere exchange of information. Clearly, the two are strongly interrelated. A useful definition given by Guild Nichols (1979) takes participation beyond mere involvement on voting day. He defines public participation as:



...[A]ny activity by any person, group of persons or organisation, other than elected or appointed officials of government or public corporations, that directly or indirectly is aimed at taking part in or influencing the affairs, decisions, and policies of the government or public corporation (p. 15).

The range of activities which has been defined as open to participation includes intelligence gathering, consultation and advisory planning, programme administration, negotiation, delegated decision-making, and control. Throughout this section, consultation is positioned as one type of participation. This is how it is often portrayed in studies.

In its broadest sense, participation recognises the citizen as a policymaker and part of a team of planners, not merely as a recipient of public goods and services.

The basic arguments for and against participation are given below.

Advantages

Participation has two main objectives. First, it is instrumental. When those affected by decisions are involved there is greater likelihood of arriving at a decision which will be appropriate. As well, having been involved in the policy-making process, the citizen (or pressure or interest group) is more likely to accept the final decision, enhancing policy implementation and evaluation. Participation is also developmental. When individuals are involved in policy-making affairs, they may gain a sense of power, dignity and self-respect.

Participatory processes, therefore, aim to make government bodies more responsive to the wishes of the people by overcoming some of the remoteness engendered by policy-making processes. The most common problem in this respect is the intrusion of complex technological and economic factors which often enable professionals and experts to exert considerable influence. Costs can be minimised by reducing the number of inappropriate or poorly accepted decisions.

Disadvantages

The major argument against participation is the lack of available resources, both financial and administrative, for likely success. Participation does not have immediate rewards. It takes time to involve more participants which may seriously delay decision-making and ensuing implementation. It also becomes more difficult to accommodate greater diversity of viewpoints. Resistance may be encountered which could have been avoided. People lacking expertise may be easily manipulated by bureaucrats and politicians. Public servants may be under increased pressure, making it more difficult for them to carry out their everyday tasks. Finally, there is no guarantee that the most appropriate interests will be represented. Those who participate may be self-appointed. They may be more highly educated members of the middle-class or retired citizens with plenty of time on their hands. Such people may be seen to represent the public when in fact their values and interests are reflective of only a small proportion of the community.

Since it is often accepted that citizens have a role in policy-making, we can accept some of the influences exerted by pressure groups, social movements, and others described in Module 5. Having accepted this view, there is still some need for guidance through the difficult process of negotiating with the relevant stakeholders in a policy situation.

Collaborative agreement-seeking processes are most desirable (though not always achievable) and it is useful to have personnel able to exhibit the appropriate strategies and behaviours. Thompson (2000) lists the key recommendations of best practice in this context:

- Consider whether the collaborative agreement-seeking approach is appropriate. (There must be willingness to share decision-making roles, negotiable points, and the right timing and climate).
- Stakeholders should be supportive of the process and willing to participate. (Key stakeholders should not be missing because this would undermine the legitimacy of the process).
- Agency leaders should support the process and ensure sufficient resources to convene the process. (Leaders need to actually, and visibly, support the process and time, staff and technical assistance must be available).
- An assessment should precede a collaborative agreement-seeking process. (This would address the first three issues above and is usually undertaken by a neutral facilitator).
- Ground rules should be mutually agreed upon by all participants, and not established solely by the sponsoring agency. (To avoid suspicion, involve participants in defining the problem, developing discussion guidelines, establishing attendance requirements, scheduling meetings, making contact with the press, and so on).
- The sponsoring agency should ensure the facilitator's neutrality and accountability to all participants. (The facilitator should work for the whole group, rather than for the governing organisation and, if selected prior to the process, should be subject to review and reconsideration when the process begins).
- The agency and participants should plan for implementation of the agreement from the beginning of the process. (Decision-making participants need to be involved in implementation and, inversely, those needing to implement must be involved as decision-makers right from the beginning).
- Policies governing these processes should not be overly prescriptive. (pp. 55–56).



Case study

Case study comments

Case 2: The Green paper (or ‘discussion’ paper) was put out providing a clear position about what was intended, but allowing for submissions – to get some comment on how this broad proposal should work (p. 108). It didn’t really encourage the exploration of many options (p. 108) and completely omitted the matter of funding policy options (p. 109) thereby avoiding some contentious objections early in the life of the policy (p. 109).

Case 6: There is, in this case, an analysis of the tension of trying to achieve participation and consultation under the new public management in which economic rationales are more powerful than others. The Green Paper produced sought neither submissions nor feedback (p. 103).

Case 9: The NGOs in Bangladesh seem to have grown particularly effective in their ability to locate local knowledge, generate new ideas, and reach understanding of problems (p. 149).

Case 10: This case is perhaps characterised by lack of consultation and failure to appreciate (or care about) the problems of the slum-dwellers.

Case 12: The development, involvement, and support of self-build housing associations is a strong example of participatory policy in one sense. The government involves these groups in the direct implementation of their desired policy by subsidising and funding them and providing other supportive legislation. However, they have not been given, it appears, much voice in whatever decisions are made by government.

Activity 7.4



Activity

1. By reviewing policies currently being considered try to determine whether any of the above pressures are causal in making that policy of immediate interest. Is there a pressure to cut back on government spending?
2. Are citizens applying pressure for governments to provide further information?
3. Do rational approaches to policy-making accommodate the pressures for participation and consultation, and for ethical behaviour?
4. Would some of the features of incrementalism be more applicable?

Economic pressures

Since the economic downturn of the early 1970s many pressures have been placed on governments at all levels. There are pressures to cut back on spending and to increase productivity and efficiency. Economic rationalism (or an emphasis on neo-classical economics approaches) emphasises the need for 'rolling back the state', by reducing the public sector's size, spending and activity. It emphasises the effectiveness of the free market.

There is, for instance, increasing pressure for managerialism. This is related to the needs for greater accountability, greater economic rationalism, and privatisation. There is an expectation that bureaucrats should become more like private sector managers. The underlying inference of these pressures – with debatable evidence – is that some of the inefficiencies of the public sector could be overcome and that public sector managers and the public sector as a whole would become more productive.

There may be some contradictions in the managerialist expectation that public servants, especially senior bureaucrats, should be proactive and risk-takers. Such behaviour may place them clearly and unambiguously in the role of making policy decisions. (We dealt with this in the section on Ethics.) They are thus given more discretion while being expected to be more accountable for achieving goals and maintaining fiscal balance. At the same time, they are subject to increasing pressures vis-à-vis freedom of information, codes of conduct, and reviews of corruption. Their success in their careers is now strongly linked to success in running their departments rather than to seniority, as it once was.

There are broader pressures to achieve internal efficiency within government organisations. Governments tend to have more demands placed on them each year and have fewer funds to spend. This requires greater productivity from staff and more efficient management.

Privatisation is one means of seeking these outcomes. While government divesting itself of functions – selling off public enterprises – is one method, contracting out services has different implications. Many arguments for such privatisation rest on the premise that the public sector is inherently inefficient and that competition can provide incentives for efficiency. There is little clear evidence, however, to indicate with any certainty or consistency where cost savings come from. There is also some debate about whether governments lose control over the quality of service and therefore abdicate their responsibilities for equity and social justice. The nature of the contract, its terms and conditions, controls and performance indicators, will thus all be relevant. The issue of control has particular relevance as it may determine whether the service being provided can be classified as a matter of public policy at all. Certainly the decision to contract out and the choice among tenderers has policy implications.

Relevant to this discussion is also the issue of corporate management or corporate planning. Pressures for corporate management are related to ensuring that government agencies are clear about their objectives and

that action is taken to achieve them. There is an inherent rejection of ad hoc, seemingly directionless policy-making and activity. It is suggested that clear objectives would lead to more appropriate and better policy. Such a perspective has a clearly rationalist perspective. (Note – do not confuse the word “corporate” in this context with corporatism, the theory of the state).

Case studies



Case study

Case study comments

Case 2: The HECS policy formulation emerged from an economic efficiency issue – increasing numbers of students could not continue to be educated without a fee being exacted. There was also a desire to control government resources so they could be predicted (p. 28).

Case 4: The pressure for deregulation of the United States telecommunications industry is part of these economic pressures. The belief is that monopolies, even those we once thought of as natural monopolies might not make economic sense and can lead to increased prices, reduced efficiency, and lack of diversity and innovation (pp. 72–73).

Case 9: Western countries providing aid to less-developed countries are dictating economic patterns and even supremacy by pushing for structural adjustment (p. 145).

Case 11: The essence of this case is a participative and consultative approach. With help from SPARC, Mahila Milan and NSDF (p. 159) women have been involved over several years, and in several communities in identifying the problems with existing sanitation arrangements and preferred solutions for the future. Note that the process has helped to empower people in the communities, involved them in implementation and negotiation with municipal authorities, and helped to provide real understanding of the issues. Presumably, bureaucrats and/or others in the policy formulation process had unclear ideas about what the cause of the problems was, simply blaming the people in the community (who were unable to maintain the toilets). The process of being involved in decision-making helped to create capacity-building experiences for the people involved and has equipped them to become involved in other community issues (p. 160).

Activity 7.5



Activity

1. By reviewing policies in your country that are currently being considered, try to determine whether any of the above factors are causal in making that policy of immediate interest.
2. Is there pressure to cut back on government spending; are citizens applying pressure for government to provide more information?

Other issues

The range of other relevant issues is huge. Further issues are mentioned here but are not discussed in detail. This, at least, gives some indication that policy operates in the context of much wider social and political phenomena and that they impact, to various degrees, on the formulation or execution of policy in a society.

Environmental issues, for example, are increasingly being considered. Not only are interest groups taking up the cause of protecting natural forests and other areas, there is global consideration of these matters from leading groups of nations, such as the Kyoto forum. Access and equity principles are relevant in many countries where it is deemed just that all have access to employment in an agency and/or to the services it provides. Principles of industrial democracy suggest that public sector employees should be given some rights to determine the way their organisation operates.

There are world trends in terms of quality management, continuous improvement, and benchmarking (amongst others). The public sector does not escape these pressures, and senior public servants particularly must be familiar with these principles and their application in the administration of their policies and programmes. The ramifications of these trends are economic (affecting efficiency and funding), but also procedural (affecting the ways things are done in organisations). It is now commonly accepted that procedures cannot remain static. There must be improvement, modification and constant learning, both individual and organisational. The notion of the learning organisation, and now the learning community, has some significance for policy. For example, public agencies can be expected to adopt the principles of learning organisations. They must be open to constant change and responsiveness to the environments in which they operate. This has implications for the policies they develop or modify for the clients or the public in their specific area of policy. Learning communities, as a concept, is concerned with the adaptability and growth of the members of communities; this has particular relevance for policies in areas such as social welfare, regional development and housing.

Despite these pressures, there are some inconsistencies between the very accountable nature of public sector activity and notions like total quality management (TQM). TQM does not stand alone but is linked to other concepts such as total quality control, quality management, process management and continuous improvement. However, in principle it is

concerned with improvement through examination of the entire process. (In this case it would involve policy-making as a process.) It is concerned with identifying faults and weaknesses at all stages and with correcting them in a continuous, self-adjusting manner. “Commandments” in TQM such as “Establish constancy of purpose”, or “Eliminate annual ratings of employees” could contradict existing and necessary modes of public service management. In the former case, changing political environments and short-term political goals undermine constancy (Stewart, 1999). In the latter, accountability for the behaviour of public policy implementers might be a critical part of the process.

Any one of these issues and many more could be researched and applied to the public policy context in much greater detail.

Activity 7.6



Activity

1. List any other contemporary issues that you think are relevant to policy-making in your country. Think about the circumstances that might exist in your country and whether they might be the cause of different pressures. For instance, the pressures could be as diverse as social structure, levels of poverty and education, war and hostility, history or religion.
2. If you can identify any pressures, consider what impact they have on policy development in both short-term and long-term contexts.
3. What impact do they have on big policy decisions and on more routine ones?

Module summary



Summary

The issues covered in this block have a significant relationship to all of the topics discussed throughout this course. Pressures for economic constraint and/or performance are likely to be most pertinent to policy initiation, succession, and termination. There will be pressure to get items on to the policy agenda, but the number actually developed into operating policies will probably be low. There is likely to be increasing pressure to cut back on government spending and activity, so policy succession and termination are crucial. Thorough evaluation of policies, including the costs of implementation, is also important. Policy formulation is under increasing pressure for rationalisation as is much government activity, so the rational model is likely to hold more sway than the incremental model.

If a broad definition of public policy is accepted, such as “everything governments do”, then the areas open to public inquiry are extensive. Pressures against corruption and for more open government, freedom of information, and ethics tacitly acknowledge the considerable number of people who may have an impact on public policy. Corruption inquiries can identify that bias may have affected the awarding of government contracts. Not only is the unfairness of the bias itself an issue but, in a policy sense, this unfairness is exacerbated since the contractor may have a value set that influences the resultant execution of the policy.

Contractors who implement government policy play a similar role to street-level bureaucrats, so they have some role in shaping the policy as they do so. Those who select the contractors may deliberately exert influence to get their desired policy outcomes. As well as this, the influence the contractors have on the policy is not subject to electoral or other accountability mechanisms in the same way that politicians and bureaucrats are held to account.

The demand for public participation and consultation is strongly related to policy participants, including pressure and interest groups, and theories of the state. In other words there are some implications for who might be legitimately and practically involved when participative or consultative mechanisms are put in place. Those with pluralist and corporatist perspectives may have different interpretations of what occurs as policy is developed. For example, a government may claim to operate a public participation process in its policy development but may only utilise the opinions of a select group of people from the public – corporatism. Or, it may hold public meetings open to all interested participants – pluralism, though the capacity of different groups to express themselves and collaborate in alliances may undermine a totally pluralist form.

Demands for government to be more open and accountable constantly emphasise the democratic process and the need to constantly question and respond to the clientele serviced by the policy – typically the public at large or some subset of the public. In one way or another, the public as a whole is concerned with what is being undertaken with public funds and how equal and fair the distribution of advantage from policy is throughout the society. Governments, having worked to achieve a measure of



accountability, cannot be complacent.

Policy is dynamic and constantly changing. The effects of one change can filter through to other areas. In some ways policy-making is a constant monitoring and adaptation of a very large system. Whether small or large, every change will ripple through many parts of the system; further modification may be required, whether immediately or later.

Assignment



Assignment

Use a case study* analysis to explore whether the policy that has been made, or is being made, is/has been able to provide the best solution to a problem or whether other imperatives have affected the policy.

**Your tutor will advise you of the case study for analysis.*

References



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Further reading



Further reading

The following readings relate to a range of selected contemporary issues relating to policy-making. The particular relevance of each is indicated where possible.

This is only an indication of possible readings, not a comprehensive list. You may find many other relevant sources for further reading.

Bridgman, P., & Davis, G. (2000). *Australian policy handbook* (2nd ed.). Sydney: Allen & Unwin.

Pages 137–139 briefly cover issues of ethics in policy.

Cochrane, A. (1986). Community politics and democracy. In D. Held & C. Pollitt (Eds.), *New forms of democracy*. London: Sage.

Cochrane examines some ways community members become involved in the democratic policy-making process. This is particularly relevant to consultation and participation.

Gummett, P. (1996). *Globalization and public policy*. Cheltenham: Edward Elgar.

Issues of globalisation are implicit in the changing economic pressures affecting public policy.

Lane, J.-E. (1995). *The public sector: Concepts, models and approaches* (2nd ed.). London: Sage.

Chapter 13 explores ethics and policy models.

Parsons, W. (2000). *Redesigning public policy: New directions in postpositivist theory and practice*. Cheltenham: Edward Elgar.

Rhodes, R. A. W. (1997). *Understanding governance: Policy networks, governance, reflexivity and accountability*. Buckingham: Open University Press.

Relevant for its focus on accountability.

Stewart, R. G. (1999). *Public policy: strategy and accountability*. Melbourne: Macmillan.

This entire book is concerned with policy-making with the issues of accountability and strategy underlying the discussion throughout.

Stretton, H., & Orchard, L. (1994). *Public goods, public enterprise and public choice: Theoretical foundations of the contemporary*



attack on government. London: Macmillan.

Economic pressures and public choice theory underlie this book's analysis of the pressures on modern states to change their policies.