

Social Policy Analysis

1. Concept of Policy Analysis

- Motivation of study: why and how are particular policies made? (*legitimacy*) What are the impacts of those policies and government decisions? (*efficacy*)
- Variations of policy instruments & designs (comparative policy studies)
- Aims: Add to human knowledge (academic: political science, economics, sociology, psychology...), provide evidence for policymaking
- Example: active labour market policies (ALMPs) – policies to facilitate transition from unemployment to employment
 - Legitimacy: why are ALMPs developed in Nordic countries but not in corporatist regimes? What are institutional/political factors that shaped the policy-making process & history of ALMPs?
 - Efficacy: the impact (short & long-term) of ALMPs on employment, wages, mental health...
 - Variations: different types of ALMP instruments – public employment (information) services, direct job creation, subsidies for private sectors, jobs training + durations, combination with unemployment benefits

2. Policy cycle

- Standard model: problem identification, agenda setting, policy formulation, decision making, policy implementation, evaluation (impact & process)
- However, the real world is not like such a model – complex, messy, unpredictable, moves back & forth...
 - ‘Garbage can model’ (Cohen 1972): decision-making process is interactive, complex, disorganised, many actors & interests involved
- But for analytical parsimony & heuristic tools: to capture & understand how policies are made & evaluated (cognitive map)

- The real process is much more complicated, but we use this map to navigate & observe how the process works

3. Problem Identification & Agenda Setting

- Problems need to be recognised as ‘social problems’ and set as *policy agendas* to materialise as public policy.
- What are things that policymakers do NOT do? (Cairney 2012) – actively ignoring the issue; low priority; interested but no means to solve them
- Outcomes of agenda setting reflect power structure in policies – power balance between elected policymakers (representing public attitudes) vs non-elected elites (representing organised interests)
 - US healthcare reforms (Obamacare): Obama administration vs private actors in health industries
 - Firearm regulation in the US: is it simply an outcome of the NRA lobbying? How is public support distributed?

4. Policy Formulation & Decision-making

- Policy formulation: role of ideas, policy diffusion, social learning (Hall 1993) & policy transfers, and evidence-based policymaking
 - Ideology drives policymaking: Keynesianism (1960s), neo-liberalism (1980s~), British unemployment benefits becoming more stringent (role of media description – “welfare scroungers”)
 - Policy transfers: neo-liberal policies transferred to developing countries via international organisations; short-time work scheme in Europe
- Is evidence-based policymaking what should always be pursued? Should policymakers prioritise academic research evidence?
 - New Labour & Clinton Administration: “what counts is what works”
 - Evidence often fails to provide conclusive, complete answers – research designs (UBI; Neuwinger, 2021), internal & external validity
 - Academic research is very slow: different from political timeline

- Evidence may be only one of many factors considered: academic research often focuses on single dimension (i.e., benefit of specific group of people; public cost)
- What other factors? Public opinion, value judgements, practitioners, preference of local communities (culture)
- Conclusive evidence is mostly ex-post: how about proactive, innovative approach? Or theory-based inference? (Covid & mask/vaccine policy)
- Policymakers resource & capacity to use evidence is often limited → more likely lead to 'cherry-picking' evidence (Monaghan & Ingold 2019)
- Decision-making frameworks: rational choice model; incrementalism (bounded rationality); punctuated equilibrium
 - Rational choice: Each actor in society has a clear, rank-ordered set of preferences of policy strategies → policymakers maximise the aggregate utility of society based on the preference
 - Incrementalism: marginal changes occur based on past decisions – i.e., annual budget plans
 - Punctuated equilibrium: incremental changes happen in most of the times, but a critical juncture (i.e., crisis) can result in structural change
- Other frameworks taking into account *policymakers' positions* (interests): historical institutionalism, Multiple streams (problems, policy, politics stream), Advocacy Coalition (actors with different interests)

5. Implementation & Evaluation

- Implementation failure: bad execution (not implemented as intended), bad policy (implemented but fails to work), bad luck (other disrupting factors)
 - Bad execution: veto players modify original plans (Obamacare?)
 - Bad policy: privatising social care but fails to work efficiently
 - Bad luck: covid or economic crisis, housing price skyrocket
- Top-down (policy documents & high-level decision-making) vs bottom-up perspective: role of street-level bureaucrats & discretions
 - Social care (UK): private actors shape the service quality & costs

- Evaluation: what is the aim of the policy and what outcome do we want to measure? Always involves value judgement of equality, equity, efficiency
 - Unemployment benefits: facilitate re-employment vs consumption smoothing for the unemployed?
 - Family policy: gender equality vs raising fertility?
- Cost-benefit analysis: what is the scope of cost & benefits? direct vs indirect & short vs long-term. Measurement is always contestable...
 - Universal basic income effect on labour supply: short term negative but long term neutral or positive (Hoynes & Rothstein 2019)
- Claiming 'causality': policy impact or other confounding factors? Hard to identify in non-experimental real-world situations
 - RCTs: the strongest method for causal inference – but external validity (generalization) problems → needs systematic review
- Evaluation often leads to the next problem identification & agenda setting – decision of maintenance, succession or termination (Policy “cycle”).