Remodeling the Policy process

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1. Background

Policy analysis, both as practice and as science, has been growing strongly in the last decades, yet the earlier traces of the approach go back to the 1950’s (Lasswell 1951, Lindblom 1958, 1959). The aim of policy analysis is similar to that of social sciences, to make social processes more understandable, more transparent, and to find explanations for the identified mechanisms and relationships. Obviously, there is also the motive of design, which implies that the created image of the process has to be one which can be affected, even manipulated. The outcome of these efforts was a delineation of the public policy process, which began to emerge and develop from the 1960’s onwards (Easton 1965). The model of policy process, similarly to the description of a politico-administrative, or democratic process, shows the principal actors, their relationships and the stages, which eventually bring about the public policies. Though the original black-box model has later on been replaced by more fine-tuned models, the idea of the policy process as *stages* has persisted. The model implies the linearity and rationality of the process, and oftentimes comes closer to the constitutional definitions on how the process ought to be, rather than to research findings. Although the policy process was modeled as a map – and maps are not always one to one with reality – the argument in the following is that we need new kinds of models which better reflect the reality.

The importance of studying the modeling of policy processes can be grounded on a number of ways. *Firstly* we need to know how the process looks like in order to understand it. This is above all a theoretical question, developed more detailed in the next chapter. This paper builds on the argument that all observations of the reality are based on certain theoretical assumptions and thus it is important to explicate and discuss these assumptions. *Secondly* there is a democratic motive. In a normative sense the analysis of policy process is utterly important for the reasons of accountability and legitimacy. The original goals of policy analysis, formulated by Lasswell and others, urge policy analysts to engage in the societal debate and strengthen democracy. Recent developments have been argued to mark a difference to this past and brought policy analysis closer to professional, bureaucratic activity (Fischer 2003). *Thirdly*, it is important to use accurate
models as the politico-administrative systems have been changing and we don’t know how these changes (such as decentralization, managerial emphasis, results orientation) have affected the basic nature of the process (Peters 2005). Fourthly, policy analysis should also assist practice. Often the various handbooks, however, do not seek to show that their prescriptions are derived from actual practice. For this reason there is a need for an empirically-grounded and theoretically-informed examination of the work of policy (Colebatch 2006). Practitioners need an explanatory framework which can cope with the complexity and ambiguity of policy work.

Once models are established they seem to be very rigid. This is the case in policy analysis also. Although a number of seminal studies in the field have suggested the complexity of policy processes, the prevailing idea is the one of stages. Policies are argued to origin from various inputs (political parties, associations, professional identification), and proceed to formulation, approval and implementation step by step and dominated by the mandated formal actors. This model treats policy process in a mechanical manner, building on cornerstones like political steering, administrative neutrality, and organizational accountability. There is, however, plenty of evidence to assume that the idealized image of the process does not correspond with the reality, or plausible explanations. Parson for example (1995, 88) argues that public issues are not clearly demarcated, we don’t know where one problem begins and another ends, they overlap, intersect and bump into one another. Although several decades of research suggest that the real-life is not simple, the policy models prevail. Lindblom explained in the most recent edition of his text book on the policy process that policy-making is a complex inter-active process without beginning or end (Lindblom & Woodhouse 1993). In the Kuhnian sense we can talk about paradigms and persistent images and ask whether policy models are also defended on other than scientific grounds, such as normative, pragmatic or others. The real world is far more complicated and not composed of tidy, neat steps, phases or cycles. The idea of dividing up policy-making in such a way gives false picture of a process which is not a conveyor belt in which agenda-setting takes place at one end and implementation and evaluation occurs at the other (Parsons 1995, 396). Policy can not be understood simply as the transmission of the formal preferences. Parsons (ibid.)
for example asks what kind of rational analysis is compatible with the real world of decision-making in which there are conflicts over facts and values, means and ends, and in which there is considerable uncertainty? He further argues that the criticism of the stagiest approach is at its most telling in the implementation –evaluation-termination framework. Implementation and evaluation are better explained as a continuous, endless evolution which is more accurately explained as a fluid process in which no clear stages can be discerned.

It is much easier to pose critical remarks than it is to present alternatives. The implementation discussion in the 1980’s serves as a revealing example. Critical of the prevailing rational models the alternative perspectives succeeded in shaking the very basis of the models, but at the end of the day, failed to convincingly reconstruct a systematic and general model of the (implementation) reality (Kettunen 1994, 2000). Policies can be affected by dynamic, consensual, and informally agreed upon networks of public and private organizations, but jumping from normative to empiricist approach does not necessarily bring forward the need for explanation. A more realistic way of scientific criticism is to combine theoretical and empirical insights and in a piecemeal manner reconstruct the typical, recurrent, general patterns of activity. There have been alternative perspectives too (Ham & Hill 1984, Hill 1993). We already mentioned the alternative bottom-up delineation of the implementation process. Similarly concepts like networks, governance, and multi-level government point to the direction of a need of new delineations. Governance once defined as networking of public and private actors, has almost lost its accuracy as more and more research findings point to the persistence of hierarchy. The wave of new public management has after all not turned the Weberian government into turmoil. Rather the persistent features influence the paradigm and mould the practical forms towards combinations of old and new. In the latest edition of their analysis of public management reforms, Pollitt and Bouckaert (2004) use the term neo-weberian state to describe the current character of (western) public administration. In a similar way we have the example of Europeanization studies where the transactional, hyper-globalist view has been forced to withdraw from the realistic school of thoughts emphasis on nation states as the prima facie of development. So far, however, these
perspectives have not been able to produce a new kind of delineation of the policy process (if it is a process). The challenge of modeling is to understand the roles both of structures and action, the very basis of policy process, and hence we need a comprehensive approach.

This paper proceeds with first emphasizing the importance of approaching policy process with theoretical tools of analysis. Even then the question can be what kind of preceding assumptions we make, for example of the nature of the process. The two crucial questions, which should be treated with critical analysis, are argued to be the linearity/rationality of the process and the question of actors. It is further argued that institutional analysis can potentially provide a more comprehensive delineation of a policy process than the existing models do. In the third part of the paper the institutional approach is reviewed more in detail and a tentative empirical framework is put forward. The final fourth part of the paper summarizes the argumentation and emphasizes both the theoretical and normative importance of using an accurate delineation of the emergence and development of public policies.

2. Theoretical approaches to policy making

The purpose of this paper is to discuss the modeling of the policy process. The motive is based on an assumption that the prevailing knowledge and delineation of this process are too distant from the reality of policy making and insufficiently connected to theoretical knowledge. The aim is not necessarily to construct a neatly defined model but more to reveal the theoretical bases of the perspectives and so emphasize the accurate nature of the process.

The critical arguments towards the rational model have fostered re-evaluation of the usefulness of the idea of policy analysis as involving a series of logical stages, and prompted the search for other approaches to the rational model and frameworks for policy analysis (Parsons 1995, 433). When the task is a critical analysis of the prevailing
models of policy processes and the reconstruction of alternatives, the theoretical approach, or approaches, needs to be a broad one. Methods in this approach play a particular role, because the very starting point of the critics is the perceived methodological weakness of the current delineations and explanations. Contrary to pure empiricism the purpose here is to reconstruct the theoretical underpinnings of a policy process and with the help of series of empirical analyses to produce new kind of modeling of the policy process and thus contribute to the theoretical development in this principal area of the policy analysis.

To begin with the abandoning of the stagist model poses a difficulty, namely from where to start then. One solution is to refer to basic theoretical paradigms in social sciences, organization studies etc. and then select the one which seems the most appropriate for the delineation of the policy process. In this way for example Howlett and Ramesh (1995), among others, discuss the strengths and weaknesses of six different approaches: public choice, marxism and neo-institutionalism (deductive), and welfare economics, pluralism/corporatism and statism (inductive). These theories partly accomplish one another, partly offer rivaling explanations of the key actors of the process, of the main influences in it, and of the principal dynamics in terms of change. A partly overlapping approach, offered by Parsons (1995, 39-40) refers to the following six policy making models: stagist, pluralist-elitist, neo-marxist, sub-systems, and policy discourse approaches, and institutionalism. As we see, approaching policy process from a theoretical premise enables us to analyze the relative importance of individual actors, organizations, surrounding norms, and so deepen the text-book description of the process. However, from the modeling point of view, the question is also whether to use a process kind framework (i.e. decision making cycle) as a starting point or whether to begin the analysis from a more limited position, like the concept of policy? Parsons (1995, 81) is in favor of the first alternative arguing that the problem is not with the policy cycle per se as with the need to incorporate or include models and approaches which are or may be deployed in policy analysis. In the latter case we would rather start, like in the bottom-up approach, with a particular policy problem and then elaborate the public policy and policy makers which deal with this problem. Which ever alternative we choose, we can
probably agree that public policies are collective solutions to societal problems and that we are analyzing the way these solutions are constructed.

The challenge of taking critical distance to both the questions of actors and to stages is not easy to solve. The question of the relevant actors seems to be an easier one. Informal, even invisible actors have for a long time acknowledged to play a role in, say, labor market policy, or economic policy. However, it is also possible to widen the perspective and see that the actors are affected by background norms, patterns of thinking and values, which in a way then have to be seen to influence the policy process. The second question about the stages is more difficult one. Although the ideas of garbage-cans, mirrors of opportunity and powerful bureaucrats are not unknown in policy analysis, these have not affected our basic delineation of the process proceeding from problem identification to the implementation of policy programs. But still, thinking about the vast amount of programs that already exists it is easy to believe that for instance “proper solutions seek for problems”. In other words, the policy process can proceed from the end to the beginning and thus stand quite far from the usual delineation of the process. Or, in case of a powerful actor or a norm perhaps, we could argue that the policy process is merely “taken” to increase the legitimacy of the system while the decision has already been made prior to the process. Again a reference to the implementation analysis clarifies the dilemma. It makes a difference whether one begins from an analysis of the formal program in law form compared to beginning from the needs, the underlying problems. Whereas the first perspective can show that the program is proceeding as meant to, the latter can reveal that the no success at all is visible.

Institutionalism or Neo-institutionalism offers a relatively wide angle to analyze the policy process. Although not without weaknesses – such as inability to provide a plausible coherent explanation of the origin of institutions without resorting to functionalism (Howlett & Ramesh 1995) – it seems to offer tools for a deeper understanding of the process. Institutionalism is a useful way to avoid too actor-based approaches, and to emphasize the underlying level of norms, assumptions and beliefs, which in many ways presumably affects the structuring of the process. Parsons (1995, 40)
argues that institutionalism has been less developed than the other approaches but is emerging as an important new set of approach compared with other delineations of policy processes. Instead of a singular prevailing level of reality, oftentimes found in the existing models, we can speak of multiple levels of reality: actors, organizations and institutions. The last mentioned level, institutions, refers to various societal norms, beliefs, and memories, which structure the society and bring continuity. Organizations are organized forms of societal activity, and actors are in many ways embedded in the surrounding, constraining and enabling, organizational and institutional framework.

3. Institutional approach and policy process

Institutionalism as such contains a number of perspectives, which partly represent particular traditions and methodological emphasizes of areas of science. Scott (1995) for example speaks of three distinctive approaches, namely the regulatory, the normative, and the cognitive ones. All these perspectives can turn to be useful when examining the way public policies are identified, formalized and implemented. The regulatory perspective focuses on the organizational arrangements, on the share of power and on the way regulatory processes involve the capacity to establish rules, inspect or review other’s conformity to them, and as necessary, manipulate sanctions in an attempt to influence future behavior. The emphasis in the second pillar, the normative, is placed on normative rules that introduce a prescriptive, evaluative, and obligatory dimension into social life. Norms specify how things should be done, they define legitimate means to pursue valued ends (ibid, 37). A third set of institutionalists stress the centrality of cognitive elements of institutions, the rules that constitute the nature of reality and the frames through which meaning is made. When one, for example, analyses the role of assumptions and norms in the policy process, the empirical facts become less important and the tools to interpret the norms (hermeneutic, phenomenological methodology) become more useful for better understanding their relationship to the whole of the process. This perspective emphasizes the salience of ideas and rhetoric and thus contemplates the structural perspective. As Fischer (2003, 131) argues, the crucial debate in politics is seldom over the data per se.
but rather the underlying assumptions which organize them. In a similar vein we can presume that policies are not changed in a straight-forward manner but as for example Lindblom (1990, 270) argues “knowledge about policy problems does not supply answers which change policy directly, but rather influences their conceptualization of the issues with which they deals, helps them to make sense of what they have been doing, makes them aware of the over-optimistic grandiosity of their objectives in light of the meagerness of program resources, at times it helps them reconsider the entire strategies of action for achieving wanted ends”. Taking note of a horizontal perspective emphasizes the extent to which policy development is an exercise in social construction (Berger and Luckman 1975). What are seen as matters for policy attention reflects the way in which participants make sense of the world, what knowledge is seen as valid and relevant, and who can command attention. In this perspective, policy work encompasses the processes of problematization, the organization of expertise, and the devising of technologies of governing.

Modeling the emergence of a public policy with the institutional tools would proceed by identifying within a particular policy sector the principal interests, organizations and institutions which are relevant in this particular sector. This as such is already a demanding task, which requires empirical analysis and contact with the people working in this area. Who are the actors of public policy processes is not just theoretically interesting question but also important from the viewpoint of democracy. In discussing this question we can refer to various preceding debates which on their part shed light on the issue. The pluralist/elitist debate in the earlier decades was partly a debate about the differences between the different politico-administrative systems (the American vs. European) and partly a debate about the power of external interests viz-a-viz the state. In implementation research the principal question was the very role of mandated actors, which on normative grounds was defended even though overwhelming empirical evidence suggested something else. More recently the same dichotomy has structured the debate in democracy research where the adherents of direct democracy have been criticized of neglecting the normative value of representative democracy.
It seems reasonable to sum up the actor discussion so that there is a potentiality that besides politicians and bureaucrats there are other actors involved. This can be open interaction with interests groups, in more formal (corporatism) or informal manner. Interaction as such does not necessarily pose a normative problem if the final word can be expressed by the formal, mandated actor. The possibility of strong elitist forces behind the process indicates that this is not necessarily the case. However, this scope of actors does not sufficiently open up the decision making process. Yet another perspective to the question of actors is a network, or governance approach. These emphasize the informal, real-life contact between actors. In the public sector this is often the case between, say, a particular ministry or department, and the interest groups, and principal enterprises in the policy sector. Although the individual citizens or groups of citizens have some access to state administration and politics, it is much more common, systematized, that the access is given to groups. The question is to which kinds of groups. Selecting the groups becomes easily the most important phase in the process. Although the corporatist features of the interaction are perhaps limited to economic politics, the stable contacts between a department and a few interest groups may strongly affect the substance of policy solutions.

The question, which too often remains untouched, is whether the actor networks also illuminate the distribution of power. In other words, we may describe in detail how actors a, b, and c interact, but the final decisions can be made solely by actor a. Similarly the concept of governance may blur the roles of public and private actors and thus give a biased account on the weakness of the government. At the same time we can refer to the research findings of corporatist research, research on elitism and so which show that external interests, sometimes invisible to the public eye, can very well be the real decision-makers, letting the formal, mandated actors to act as puppets. Here we can also refer to different functionalist accounts which pose the decision-makers in a position where they can merely fulfill tasks determined by the environment (in Marxism the economy and so).
Individual actors advocating their particular interests possess information, experience and other resources, which can be relevant for the process. Knowledge is a key factor in many times complicated and technically demanding issues, and thus it is understandable that the bureaucrats often have a favorable position in relation to both politicians and interest groups including citizen groups. In addition to these, the actors are usually affected by the underlying norms. These norms can focus on the way decisions are made (whether there for example is a culture of openness) or more generally on the societal values. For example in the field of environmental policy the enlargement of regulation and expansion of resources was positively affected by the concept of “sustainable development” which reduced the criticism towards the policy by industry etc. (Fischer 2003). Similarly the economic policy is dependent on economic analysis and in the case of new theories, on agents which make the innovations known and acceptable. Underlying norms can also be called culture, both organizational and societal, which in important ways affect the choices. Cultural differences, though perhaps losing their importance within the EU (at least formally) play a role often when generic kinds of reforms are spread to new countries.

When comparing for example public and private organizations we can see that they can have similar features, a structure based on division of labor, an inner social system and so forth, but one principal difference is that while public organizations value equality, stability and social welfare, private companies usually see customer wants and profits as important. This basic cultural difference has for example made it difficult for the public organizations to apply market mechanisms, and in the case of former communist countries big difficulties in quickly transferring the politico-economic system (including the values) to correspond with the western standard.

In sum, the operational model is the following: to begin with a policy area and thus define the kind of process we are tracing. Thereafter the analysis would proceed into identifying norms, values, ideas; organization structures and finally actors. At the same time the principal question would be the influence of the three levels. What are the key issues, what kind of public policy does the policy in question constitute, and then
thereafter trace the directions of influence. The temporal perspective, or causality, would require empirical cases. Shortly, if these kinds of empirical processes were repeated in a variety of policy areas, types of policies, we would gradually be able to model typical, recurrent forms of policy process. These would sometimes correspond to our existing model, and at other times look more like the adherents of network approach, governance, and other alternative approaches which have put forward.

An institutional framework of a policy process

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With the help of the above framework we could see what kind of organizational arrangements and underlying norms and values affect, enable and constraint, the actors when they, on the basis of their interests, affect the identification, modification and implementation of public policies. Sometimes the actors have more discretion, sometimes less, but decisions concerning public policies are not made *tabula rasa* but are based on traditions, ideas and interpretations of the possibilities.

The brief theoretical review suggests that policy processes are not straight-forward-ones. It is easy to see that the chain of action can take reverse directions, and the mandated
roles are not always the ones which have the greatest influence on the process. Political institutions as designed are always challenged by interests and dependent on the situations, values, and also persons. There is the counter argument that institutions leave a certain leeway, discretion to the action, and once the action exceeds the limits, there follows a punishment. However, from the real life we know that political leaders, and even administrative one, are able to use their influence in considerable ways thus giving an actual face to the role they carry. This is particularly the case with political leaders, presidents, prime ministers, party leaders, who may show the way for, say, the foreign policy, European integration or reforms.

On the other hand, the actors can only do as much as it is possible. Beyond this, the values and conceptions show the way. Political processes are for aggregating interests. The major interests in the society deal with economy. Thus we can presume that political decisions, public polices, can only be made on the condition that they do not contradict with the basic economic principles. The question is, to which extent the economic interests are taken into consideration although they are not involved in the decision making. In this case, the mechanism is some kind of gate-keeping, screening and moderation of demands, so as to keep the decision-making agenda under control.

4. Discussion

This paper started from the argument that policy processes are often seen as rational and linear ones. This was considered to be inaccurate on the basis of research findings. Yet, paradoxically, the effort to find and delineate alternative models has been modest. The argumentation then continued towards finding more accurate information on the type of actors and phases involved in policy process. The conclusion was a provisional framework for empirical work, which was built on a neo-institutional basis. The challenge of any operational model is to balance the requirements of empirical accuracy and general validity. In the implementation research the extreme poles of debate where usually more a normative and an empirical argument, than theoretical standpoints. How
then to combine and balance the two demands? This dilemma is not peculiar only for policy analysis, but common to social sciences more generally.

Do policy processes proceed in a linear way from problem identification to implementation and feed-back? In principle we can see that the phases can also be in a different order. As most of the public policies (of any government) already have a history of their own, we have to acknowledge that many policy processes have an internal character. Amongst these it is again reasonable to assume that small issues can be dealt inside the administration, even within an individual bureau, and only larger issues require the involvement of political approval. Although politicians, interest groups and media try to introduce changes to existing policies, these are not always approved and taken further. The role of citizens, as many prevailing campaigns reveal, is almost non-existing beyond ordinary elections.

Policy processes vary and there can be a number of typical policy processes rather than one. It is also important to be careful when referring to public policies: public policies cannot be same as legislation, nor political speeches. But, we can expect that in case of a public policy at least some resources are used, and some output, even negative one, is produced by the politico-administrative system. In order to study a particular policy, we need to openly trace its origins and see the various interests, both explicit and implicit, and neglected ones, around it. Secondly, without empirical research it is no possible to accurately point to the correct actors. Thus the principal questions are:

- the interests the policy is based on
- the actors involved in the process
- the interests and actors excluded from the process
- the argumentation used in the process

The importance of this kind of information is twofold: besides academic curiosity it is possible to think that accurate knowledge on a policy process is important from the viewpoint of democracy. After all, as public concern is balancing between public benefit
and private costs (or the other way), the question becomes “are public policies based on a fair judgment”. If the analysis reveals, that a particular public policy is based on narrow interests (particularly in the long run), and that some external actors dominate, this ought to raise worries. On the other hand, big governments in the current, globalized world are probably different form the earlier versions of the nation state and thus even though we would use an idealized policy model as criterion of goodness, this should not restrict us from correcting the model.

Finally we can return to the map metaphor (Parsons 1995). Maps are certainly important. Underground maps are not needed for finding out their geographical position but to see the connections between the lines and the stations they run through. Similarly we as citizens, representatives of the media, as politicians etc. should not assume that for example the crucial thing is education policy is written in the law for then we would be mistaken. Laws play a certain role in education policy, but so do the teachers, the pupils themselves and the families behind the pupils. So, if in a map form, the scale of a policy process should be much more detailed and this kind of map ought to also include a time dimension. Actors are important in any policy process. But they are the tip of the iceberg, constrained and enabled by organizational arrangements and institutional norms, and in order to understand the dynamics of the process, we need to have a deeper look at the process. Alternative images of the process (Morgan 1986) can help us to better understand how public policies emerge and develop.
References


