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# Understanding Policy Decisions



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DI MILANO

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# Preface

The aim of this textbook is to introduce students and young researchers to the analysis of the decision-making process. More precisely it provides a conceptual framework that can be used both for understanding how public policy decisions are taken and for designing strategies able to overcome the obstacles that make policy change difficult.

As it will be explained in the following pages, it is only to be expected that in contemporary political systems policy innovation (i.e., the transformation of the ways in which collective problems are dealt with) is difficult. This is a common feature of modern democracies and no amount of tinkering with the institutional settings within which policy making takes place is bound to make it disappear.

Furthermore, the new and novel challenges that governments, at all levels, have to face if, on the one hand, make policy innovation all the more necessary, on the other hand add further obstacles to an already difficult enterprise.

This book is built on the premise that there is no simple solution to this problem. For instance, there is not a shred of evidence that a specific organizational or procedural arrangement is systematically better at making policy innovation possible. This is a field in which there are no universal truths to transmit to the students.

However, there is a vast body of literature that in the last few decades has investigated how policy is made and which factors play a role in explaining decisional success and decisional failure. The social and managerial sciences can therefore provide some guidance in the form of identifying said factors.

This book tries to go a step further. It contains a conceptual framework, i.e., the specification of the different variables explaining decisional outcomes. The advice to the policy innovator—the policy entrepreneur as it is known in the literature—is to pay attention to all these elements and to their combination in specific contexts. Only the careful analysis of the individual decision-making process can substantiate the judgment about the feasibility of the transformation at the same time giving useful inputs for building the most appropriate decisional strategies.

In other words, the possibility to introduce policy reforms with minimal strife depends strictly on the ability to correctly “read” the decisional situation. The “art and craft” of public policy analysis, as suggested by Aaron Wildavsky, one of the fathers of the discipline, is able to improve governance if it combines intellectual rigueur with an hands-on experience in treating collective problems. From this

point of view, a vast knowledge of substantive policy fields is useful if and only if it is coupled with a realistic theory of how public policies take shape. I hope that this book is able at least partly to contribute to increase the understanding of the ways in which the political systems process policy proposals, sometimes rejecting them and sometimes adopting more or less transformed versions of them.

It is my firm belief that decisional analysis, if correctly taught and learned, makes it possible to formulate reliable predictions about the feasibility of policy change and, more in general, improves policy making.

This implies a familiarity with the analytical tools as well as an ability to identify the correct methodologies. This is the reason why this book can be usefully supplemented by the additional texts that can be found on Springer Extra-Materials (<http://extras.springer.com/>). The first (Studying decisions) contains several examples of how it is possible to use decisional analysis in order to better understand policy making and political systems. This text includes also some guidelines for preparing decisional case studies and can be useful for the preparation of master or doctoral theses. The second text (Teaching decisional analysis) includes some suggestions on how to use the present textbook in graduate or postgraduate education and includes an example of a possible exercise in decisional analysis.

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# Chapter 1

## Understanding Policy Decisions

**Abstract** The point of departure of the analysis is the recognition that major policy change is extremely difficult. However from time to time this actually happens and therefore it seems necessary to understand when and how this is possible. After a short excursus on the special characteristics of contemporary public policies, four different theoretical models of how decisions are taken are presented and discussed. The conclusion is the definition of a conceptual framework specifying which are the variables that influence policy outcomes and in particular the possibility to adopt non-marginal policy change.

**Keywords** Decision • Public policy • Incrementalism

### 1.1 The Decisional Problem

We live in difficult times. “Making the necessary reforms”, as any government in the world knows all too well, is easier said than done. Taking decisions able to significantly alter the way collective problems are tackled, is particularly difficult in all democratic regimes.

The arguments used to explain this difficulty in governing and innovating usually mention the lack of agreement among the societal actors about the goals, the increasing level of institutional fragmentation, the difficult relationship between politics and administration, the fact that the coordination between the different public bodies does not work well or that the implementing procedures can put at risk what was established in the decisional phase, both as regards timing and costs. This list could of course continue.

What current explanations often have in common is the fact they resort to arguments at the level of the system. If it is so difficult to make decisions—especially important ones—there must be something wrong at a general level, making it necessary to change some institutional or political features that hinder what is needed. This is the so-called *macro-negative* approach that searches for and finds

the general causes of the malfunctions of the political-administrative system (Dunn 1981, pp. 53–54). As Robert Putnam taught us when explaining the efficiency differentials of institutions between Northern and Southern Italy (Putnam 1993), such features can be generated by a very long history.

This general, systemic nature of the reasons for failure has various effects. In the first place, because it refers to features that everyone knows, it seems plausible and persuasive: we all tend to prefer short explanations of phenomena rather than find the specific cause for every single one. Secondly, it generates a feeling of dismay: if changing what should be changed is so difficult, maybe it's worth giving up. Political apathy is also due to this feeling of impotence. Finally, if the reasons that make it so hard are at a systemic level, it follows that the innovators, or presumed as such, are free from any responsibility for failure: we do in fact tend to forgive the leaders we like for not keeping their electoral promises, blaming the general features of the system for the negative outcomes.

However, there are two objections that cannot be easily overlooked.

The first is that many of the features under suspicion are actually constituent, even fundamental, characteristics of modern democracies, of the political systems that try to lead highly differentiated societies.

Just to give an example, institutional fragmentation is the other face of decentralization and federalism. It would be totally pointless to expect that the rise in resources and legal powers of the sub-national governments has no consequences at the level of the decisional system. But this does not mean that federal states cannot make reforms, as some superficial observers are tempted to say, or even that to do so is more difficult than in unitary centralised states: who would claim that decisional efficiency is lower in Switzerland—one of the most decentralised countries of the planet—than in Italy? And in any case the trend towards greater decentralisation is widespread in all western democracies, and not only there (Marks and Hooghe 2003).

So, the decentralization of responsibilities, the separation of powers, citizens' guarantees, the opportunity to use direct democracy and the resort to the judicial system against a decision of the public authorities, represent some of the basic elements of modern democracies. Of course these features do have a price, at least at the decisional level, but they also definitely have benefits that are even more important, like the impetuous socio-economic development of western democracies in the past century proves. This is especially true if compared to the much more modest performance of authoritarian and centralized regimes, even when they resorted to planning and coordination tools that on paper should have been a lot more efficient.

As Charles Lindblom teaches us, societies and political systems based on preferences and interactions tend to work better than societies based on the reason: they recognize the dangers of human failure, do not expect to know what people's real needs are simply going by some theory, but are based on the need to supply suitable answers to citizens' preferences even when they are contradictory or irrational (Lindblom 1977, Chap. 19, pp. 247–260).

Or, to quote Luigi Bobbio, “democracy doesn’t live in Gordium” in the sense that if deciding also means “to cut”, to discard some of the alternatives, “this doesn’t mean that the most effective tool for this operation is a sword, or its modern equivalents, whether they be the will of the majority or the rationality of a leader-manager”. Actually, says the author, to follow the example of Alexander the Great who cuts the knot rather than undo it, is not necessarily a good thing: those who behave like this “are not in a better position to conquer Asia, like the young prince of Macedonia, but simply risk to go nowhere” (Bobbio 1996, p. 8).

The second problem we have to face is that, in spite of their plausibility, “macro-negative” explanations don’t always work. Important reforms do take place also in systems with similar features to the ones considered the cause of immobilism. Sometimes important decisions are made in a short amount of time and with acceptable costs. The macro explanations of decisional blockages resemble the well-known myth according to which a bumblebee should never rise from the floor. To recall Dunn, we need a *micro-positive* approach to discover the specific circumstances under which important decisions are taken, also in order to check their transferability to other contexts.

The fact is that if the systemic features considered the cause of decisional inefficiency are often the other side of democracy, and if they still do not fully explain what actually happens (since important decisions are made and implemented), it follows that even the therapies identified to cure decisional block syndromes, delays and costs of non-decisions are not suitable at all. These therapies are based on a mix between the attempt to increase coordination in the decisional process, an element that belongs to the rational decision making model that we will present in [Sect. 1.4.1](#), and the advocacy of inclusive strategies open to the participation of all those interested that we will discuss on [Chap. 6](#). Consistently with their structure, current explanations of failures search for general therapies, only sometimes distinguishing the different types of policy decisions. This could be a pointless struggle since it is legitimate to suspect that it is probably impossible to find a single institutional solution for a whole set of decisions.

On the contrary, it is necessary to go further in-depth in the analysis of the decisional processes to identify the basic elements that could explain why certain results are achieved.

This is the path we will follow in this book.

To do this, we will unwaveringly take one point of view that will guide us throughout the whole book. We will put ourselves in the innovator’s shoes, namely the person who intends to change the content of a public policy in a non-marginal way. [Chapter 6](#) will in fact introduce the different strategies available to the innovator to achieve his/her goals. In other words, even if it is obvious that the features of the system within which each single decisional process takes place influence the outcomes of the process itself, they do not completely determine the decisional field. In most cases, general conditions being equal, it is the combination of the different elements of the process that explain the success or failure of the attempt to reform.

This book aims to propose a conceptual framework that allows understanding decisions in the public sphere. In this sense, the book has an explanatory function, meaning it defines the variables that can influence the processes and therefore (contribute to) determine the outcomes. Such a framework can be used to explain events of the past but can also be used in a prescriptive way in order to define the courses of action an innovator must adopt to accomplish his/her project. This means to try and answer the question whether the project itself is feasible from a decisional point of view and check if there are elements that can hinder the adoption of the decision. From a prescriptive point of view, it means to understand what it is necessary to do in order to make the decision possible.

We must point out two further aspects.

First of all, the conceptual framework cannot provide any information about the quality of the proposal. It cannot tell us if it is a good idea to tackle that specific policy problem with that specific solution. The solution itself may not be suitable to achieve the goal, or it may not be worthwhile (or may even be self-defeating) trying to solve that problem at all. Understanding the dynamics of the decisional process does not mean that one is immune from making mistakes.

However, and it is the second point, a good deal of innovative projects in public policies fail, in the sense that they do not reach the implementation phase, because the process has been badly managed. In other words, the correct application of the analytical framework suggested in the following pages tries to avoid decisional failure but does not guarantee a substantial success.

This does not mean that we want to introduce a “science” of decisions, meaning that we have identified laws able to foresee what will happen. As we will mention again, quoting Aaron Wildavsky, one of the founders of public policy analysis, the discipline is more “art and craft” than science, strictly speaking (Wildavsky 1979). The ability to lead a public policy decision through the many difficulties it will come across requires a lot of *bricolage* and can be based on very few certainties. However, identifying the main elements that contribute to the outcomes, doing a bit of conceptual cleaning up and mostly, warning against the sweeping generalisations that abound in this field, can help in avoiding major mistakes and identifying possible alternative courses of action.

## 1.2 What is a Policy Decision

The focus of the book is the concept of “policy decision”, so it is from here that we need to start. The problem would be quite simple if we were to only consider the etymology of the word decision. To decide—from Latin *de-coedere*—means to cut, to eliminate the available options till only one remains. To decide, therefore, would be synonym of to choose, and decision a synonym of choice. Every day, we all make a lot of decisions, sometimes consciously and more often unconsciously (or, better said, automatically). This implies that there are some **alternatives** for many of the actions we carry out. As soon as we wake up in the morning we can choose whether

to drink coffee, tea or a glass of whisky but this means that we have all three drinks available at home, or that there is a café nearby. However, it is absolutely clear that we cannot decide to wake up: waking up is the result of a natural process that happens independently from our will. Just like we can decide to commit suicide by jumping out of a window or, less tragically, to take a dive from a springboard, but we cannot change our mind half way through: gravity does not allow us to.

These examples highlight some essential elements: decision implies an **act of will** and the existence of alternatives. When one or the other lacks, there is no decision.

The most obvious example of the importance of the act of deciding is probably the wedding ceremony, where the questions “do you Carlo take Lucia to be your lawful wedded wife” and “do you Lucia take Carlo to be your lawful wedded husband” are explicitly asked. The idea is that in front of an action full of consequences like choosing the person you will probably spend the rest of your life with, it is necessary to clearly express the will to take such a big step, offering the chance to respond negatively.

This example demonstrates what Bobbio wrote (1996, p. 11): “The act of deciding, taken in itself ... has little analytical interest and is often obscure at an empirical level”. Answering to why Carlo married Lucia, thus explaining his decision, by stating that he did so because he positively answered the question the celebrant asked him, would be tautological and stupid. Actually, the decision was certainly made a long time before and its reasons sometimes are not clear to the two participants either.

This is more true for decisions made in fields other than private life. To make an example taken from 2010 Italian political news, the moment politicians decided to approve a law reforming the way Italian Universities are managed, does not coincide with the final vote of the Senate of the Republic on the text approved by the Chamber of Deputies. The decision was surely made long time before and the reform’s content progressively changed also due to the intervention of a great number of actors.

So, together with the fact that a decision implies an act of will and the existence of alternatives, a further fundamental element is represented by the **process** through which the final choice came to light, the sequence of elementary actions and decisions that determined its content.

Studying a decision means to study the decisional processes, the mechanisms through which we “decide to decide” and analyse or exclude possible alternatives before reaching the final result that can also be to “decide not to decide”, leaving things exactly as they are.

This last consideration highlights a fourth element. A decision must imply a potential **transformation of the world**: if we decide to drink coffee at home, this means that our coffee supplies will decrease. In other words a decision implies a **content**.

At a first level, the decision can regard the selection of the means available to reach a goal. We can choose to drive our car to work, or to use public transport or, if we have enough time, to walk. We can choose whether to spend our holidays at the seaside or in the mountains, whether to send our children to one school or

another, and so on. In these three examples, the objectives are clear: we have to go to work, we want to have a nice holiday and we wish to give our children the best possible education.

Nevertheless, things aren't always so simple: to really understand the reasons of a decision, sometimes we have to go further back, given the fact that the real decision regards what goals we want to pursue and not the means to choose in order to do so. An example can be a career decision: the problem to solve is not about the available alternatives, but about personal goals. The decision to become a doctor can be driven by the will to be useful to others, by the desire to follow family traditions, by the attractiveness of employment in an intellectually stimulating sector, or just by the idea that this is a profession where it is possible to earn good money. It is quite certain that individual choices to enter the medical school involve a mix of all these different elements but then the real choice, the essential decision, it to define what are the values to pursue that will probably lead to consider completely different alternatives, such as the missionary, shopkeeper, physicist or private banker.

The problem whether the "real" choice regards the means or the goals (that at another level can certainly also be considered means: I want to be rich or I want to help others because that is what my happiness depends on) is clearly crucial in political decisions strictly speaking (MacKenzie 1982, pp. 16–17).

Before moving on to public decisions, it is good to add at least a further aspect that refers to decisions made in private life. Up to now, in fact, we imagined that choices have consequences only for the individual who makes them. But often enough this is not true. Even though individual behaviour is always fundamental in the concept of decision, there are many cases in which the results of the process depend on the actions of different people. Going back to the example regarding marriage, Carlo's wish to marry Lucia would remain such (and probably be a reason of unhappiness) if Lucia didn't agree. This is where the complex problem of how to combine individual preferences comes into consideration.

This problem is crucial for decisions made in the public sphere, that have consequences—direct or indirect, real or potential—on a whole community, may it be the population of a village, of a region, of a country or of the whole planet. At least since the end of absolute kingdoms (but actually even before) and in any case in democratic governments, these are collective decisions, meaning that the interaction of a plurality of individuals is necessary. As we will see in the following paragraph, this has important consequences.

Among the decisions made in the public sphere, the ones that regard public policies are particularly relevant (policy decisions). It is important to underline that they are not the only ones to be made in the public sphere: for example, appointments (through elections or other kinds of designation) to positions with legal authority are equally important.

Policy decisions, however, are certainly the most visible and interesting part of the governing activity for citizens, so it is worth trying to explain what a public policy is in the most accurate way possible.