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DAVID L. WEIMER | AIDAN R. VINING

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# Policy Analysis

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# Policy Analysis

*To Rhiannon, Rory, and Eirian*



# Preface



When we began our study of policy analysis at the Graduate School of Public Policy (now the Goldman School), University of California at Berkeley, the field was so new that we seemed always to be explaining to people just what it was that we were studying. It is no wonder, then, that there were no textbooks to provide us with the basics of policy analysis. More than a dozen years later, we found ourselves teaching courses on policy analysis but still without what we considered to be a fully adequate text for an introductory course at the graduate level. Our experiences as students, practitioners, and teachers convinced us that an introductory text should have at least three major features. First, it should provide a strong conceptual foundation of the rationales for, and the limitations to, public policy. Second, it should give practical advice about how to *do* policy analysis. Third, it should demonstrate the application of advanced analytical techniques rather than discuss them abstractly. We wrote this text to have these features.

We organize the text into five parts. In Part I we begin with an example of a policy analysis and then emphasize that policy analysis, as a professional activity, is client oriented and we raise the ethical issues that flow from this orientation. In Part II we provide a comprehensive treatment of rationales for public policy (market failures, broadly defined) and we set out the limitations to effective public policy (government failures). In Part III we set out the conceptual foundations for solving public policy problems, including a catalogue of generic policy solutions that can provide starting points for crafting specific policy alternatives. We also offer advice on designing policies that will have good prospects for adoption and successful implementation and how to think about the choice between government production and contracting out. In Part IV we give practical advice about doing policy analysis: structuring problems and solutions, gathering information, and measuring costs and benefits. Part V briefly concludes with advice about doing well and doing good.

We aim our level of presentation at those who have had, or are concurrently taking, an introductory course in economics. Nevertheless, students without a background in economics should find all of our general arguments and most of our technical points accessible. With a bit of assistance from an instructor, they should be able to understand the remaining technical points. We believe that

this text has several potential uses. We envision its primary use as the basis of a one-semester introduction to policy analysis for students in graduate programs in public policy, public administration, and business. (Thorough treatment of all topics covered, including cost-benefit analysis, would probably require two semesters.) We believe that our emphasis on conceptual foundations also makes it attractive for courses in graduate programs in political science and economics. At the undergraduate level, we think our chapters on market failures, government failures, generic policies, and cost-benefit analysis are useful supplements to, and perhaps even replacements for, the commonly used public finance texts that do not treat these topics as comprehensively.

## New To This Edition

Faculty and students will find that a great many substantive changes have been made throughout the text since the fourth edition was published. Among the more notable changes:

- A review of the prominent models of the policy and their implications for policy analysts is included in the policy adoption chapter.
- The original chapter on policy adoption and implementation has been broken into two separate chapters, providing more thorough coverage of key concepts in solution analysis.
- Revised chapters on market failures, government failures, and cost-benefit analysis provide detailed coverage of the public finance issues facing public policy makers today.
- Six new tables provide accessible information on, and reference for, topics including the structure of a goals/alternatives matrix; policy process frameworks and theories; typical impact categories for efficiency; and communicating policy analyses.
- The relevance of transaction costs to organizational design is illustrated with the problems encountered in a public-private partnership.

## Acknowledgments

A reviewer of the first edition of this text told us that we had expounded what he takes to be the “Graduate School of Public Policy approach to public policy.” His comment surprised us. We had not consciously attributed our peculiar views of the world to any particular source. But in retrospect, his comment made us realize how much our graduate teachers contributed to what we have written. Although they may wish to disavow any responsibility for our product, we nevertheless acknowledge a debt to our teachers, especially Eugene Bardach, Robert Biller, Lee Friedman, the late C. B. McGuire, Arnold Meltsner, William Niskanen, Philip Selznick, and the late Aaron Wildavsky.

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# Preview

## *The Canadian Salmon Fishery*

The product of policy analysis is advice. Specifically, it is advice that informs some public policy decision. Policy advice comes in many forms, but to give you the tenor of advice-giving, we begin with an example that illustrates many of the concepts and ways of organizing policy analysis that you will encounter in this book. Its purpose is to show you a comprehensive policy analysis that includes a description and analysis of the problem, specific policy alternatives, an assessment of the alternatives, and a policy recommendation.

Imagine that you have been asked by a new Minister of the Department of Fisheries and Oceans of the Canadian government to conduct an analysis of the commercial “small-boat” salmon fishery in the province of British Columbia. Does the current Canadian federal policy promote effective management of the fishery? The minister wants you to help answer this question by providing an assessment of current policy in comparison with possible alternative policies.

The term “small-boat” fishery is used to distinguish this type of fishery from the commercial aquaculture (or farmed) salmon fishery, which is regulated by the provincial, rather than the federal, government. The minister has instructed you to consider the salmon sports fishery only to the extent that it directly affects the commercial fishery. Another analysis is examining the larger trade-offs between the commercial and sports fisheries. The minister has also instructed you to ignore for the purposes of this analysis negotiations with the United States over the division of salmon stocks between the two countries as a separate analysis of this issue has been commissioned. He has instructed you to treat the current law on the