P04 / Combining Instruments in Formulating Policies: Why and How Decision-makers Set up Policy Instruments' Mixes

Topic : POLICY FORMULATION, ADMINISTRATION AND POLICYMAKERS

Chair : Andrea Lippi (Department of Political and Social Sciences, University of Florence)

Second Chair : Giliberto Capano (Università di Bologna)

GENERAL OBJECTIVES, RESEARCH QUESTIONS AND SCIENTIFIC RELEVANCE

The panel discusses the process of selection of policy instruments, seen from the decision-makers point of view. The sequence of actions, thinking, ideas, resources, and institutional arrangements frame how the decision makers perception and their decisional premises when choosing which policy instruments should be adopted- Thus, an evergreen question in policy formulation is "how and why policy-makers set up policy mix of instruments and thus which kind of different criteria of choice they adopt in the light of different contextual factors.

This question raised up in policy formulation literature as prominent field of study since the 1990s thanks to the relevance assigned by a number of studies (Voss& Simmons (2014); Ingold, & Metz, (2014); Béland & Howlett (2015); Walgrave & Dejaeghere (2017); Capano and Lippi (2017), but only recently scholars devoted increasing attention more on the process of assembling and combining instruments than on the nature and the configuration of policy mix. This is to say that instruments' selection is still a partially unexplored topic.

And this "unexplored topic" can be extended to classical issues in policy studies ranging from agenda setting to decision making and related dynamics between technical effectiveness and social acceptance of tools. In sum, the topic grasps the missing link between formulation and decision making, but it is also open to other phases. Hence, the panel is committed to address three streams of debate:

1. The first one concerns the scientific relevance of the assemblage process as a micro focus in itself, as subject for discussion and theoretical thinking. It pertains the analysis of the sequence by which decision-makers decide to set together different elements to pursue the end of a 'good choice', namely the suitable policy mix.

2. The second one focuses on the process of selection and assemblage looking either at the policy process as a whole or at single stages (policy formulation, decision making and implementation). A specific role is also played by evaluation in influencing instruments choice, and here there is room for further analysis of evaluation during the policy process.

3. The third one affects the driving factors influencing the selection ranging from (i) agency (political aims, political career, bounded rationality and different trade-offs), (ii) institutional frames (norms & regulation, institutional setting and cultures, organizational routines etc.), (iii) structural factors (economic and political climate, etc.).

CALL FOR PAPERS

The panel aims at bringing together scholars and practitioners interested in policy instruments selection as emerging topic in policy studies. The focus is on the process determining the mix, namely the logics underlying how and why decision-makers are used to combine different elements to set up their specific mix in which instruments are assembled according to their needs, ideas and perceptions of stakes and problems.

This is a micro focus concerning policy instruments, specifically centered on the different criteria/mechanisms of choice by which a certain type of mix instead of another one is adopted, because it is reputed as more valid, more well performing, more modern, more effective and more capable to solve problems. This topic addresses policy formulation as first, but it also includes decision-making and implementation, whenever policy makers are compelled to set up a policy mix of tools to figure out policy problems.

There is room for analyzing and debating about the cognitive and interactional dynamics that take place at micro level when decision-makers cope with the challenge to adopt effective and consensual tools reputed as valid, effective, credible and suitable, institutionally and legally coherent, from opinion makers, politicians,

technicians and the courts and the like.

The panel is open to different contributions, thus both theoretical pieces and empirical ones, possibly adopting a comparative perspective) are welcome.

The paper should address the following main themes:

1. The sequence through which instrument are chosen and mixed. Here we are interested in papers focused on: why and how decision-makers combine a certain mix and not another one; how timing affect the sequence and thus the choice; the grade of innovation/newness of the selected mix; the role of policy transfer, policy learning and policy advice in influencing the sequence and the choice of instruments

2. The instruments choice at different stages of the policy process. Here the focus should be on the similarity/dissimilarity between different policy stages when instruments should be chosen and on the role of evaluation.

3. The driving factors influencing the instruments' selection. Special focus on: i) agency (political aims, political career, bounded rationality and personal trade-offs); (ii) institutional factors (norms & regulation, institutional setting and cultures, organizational routines etc.), (iii) structural external factors (economic and political climate, political system, parties, think tanks, consultants and the like.).

P04 / Combining Instruments in Formulating Policies: Why and How Decision-makers Set up Policy Instruments' Mixes

Chair : Andrea Lippi (Department of Political and Social Sciences, University of Florence)

Second Chair : Giliberto Capano (Università di Bologna)

Session 1

Thursday, June 27th 10:30 to 12:30 (MB S1.430)

Discussants

Giliberto Capano (Università di Bologna)

Accountability and its limits: Designing stakeholder engagement in rulemaking across the European Union

Jonathan Kamkhaji (European University Institute)

Claudio Radaelli (European University Institute)

Claire Dunlop (University of Exeter)

Different series of OECD regulatory indicators have documented a widespread diffusion of policy instruments supporting stakeholder engagement in the formulation of primary and secondary legislation across the European Union. This pattern of diffusion, however, conceals subtle variation in the design of these instruments. We start from the hypothesis that design features matter for accountability outcomes. To test it, we built an original dataset of stakeholder consultation procedures across the EU-28 member states and the European Union. Methodologically, we gathered data following the rule typology developed by Elinor Ostrom in her Institutional Grammar Tool. We classified systematically provisions included in legal acts and official governmental guidelines on stakeholder consultation in terms of position, boundary, choice, information, aggregation, payoff, and scope rules. This theory-driven approach allows us to map the design features of consultation procedures going beyond the idiosyncratic approach of international organizations based on expert surveys. Drawing on this innovative dataset, we employ set-theoretic techniques to disclose how different cross-country configurations generate variation in accountability. Our findings contribute to the literature on consultation, policy design, rulemaking and 'better regulation'. Research for this paper was funded by the European Research Council's grant Protego, Procedural Tools for Effective Governance.

All that different? Behavioural expertise in policy-making

Kathrin Loer (Fernuniversität Hagen)

Pollex Jan (Osnabrück University)

Kathrin Loer / Jan Pollex

All that different? Behavioural expertise in policy-making

During the last years we observed gaining prominence with regard to the use of behaviourally informed policy instruments. Governments have started to (at least) notice and often integrate findings from behavioural and cognitive science in order to design policies that better fit with addresses' probable or most likely behaviour. Although we consider policy-makers to break new grounds when it comes to the institutional embeddedness of behavioural experts or to the design of specific choice architectures, so far only few studies in political science systematically analyse behavioural expertise in policy-making (e.g. Strassheim 2017, Thomann 2018). In our paper we will follow the question how the choice and design of policy instruments changes if behavioural insights are applied. Starting with this question and considering the rich strand of literature we will present a concept that integrates the politics dimension with regard to (a)

the process of instrument choice and (b) the interrelation between problems and policy instruments . In doing so we aim to contribute to the understanding of policy instruments that are informed or infused by behavioural insights since we identify open questions concerning instrument choice and application when they get a behavioural spin (Loer 2019). So far we do not know under which political conditions behaviourally informed instruments are designed and applied. We assume behaviourally informed instruments not to be totally new if they are used to improve previous or present instruments in order to change their mechanism or modes of action. Here we merely would call behavioural tools as being additive or complementary to existing policy instruments. We will show how they can get a behavioural spin. However, we expect specific expertise and knowledge being highly relevant to develop and improve policy instruments – only the insights of behavioural science help changing the logic of instruments. So, we will analyse how specific knowledge becomes relevant with regard to the development of policy instruments. We will show how evidence from behavioural science will be politicized. We will follow the assumption that the policy process does not produce customized solutions with regard to specific problems but rather is the result of loosely coupled polices and problem structures (Kindgon 2003) as a basis for our study of behaviourally informed instruments and the role of expertise. Two empirical examples (Eco labels, Sugar Regulation) will show how to understand the process of behaviourally informed policy-making as being highly politicized contrasting the idea of a strictly evidence-based approach that is solely looking for perfect “solutions”.

Kingdon JW: Agendas, alternatives, and public policies, 2ndedn. New York: Longman; 1995.
Loer K: The Enzymatic Effect of Behavioural Sciences–What About Policy-Maker's Expectations?In: Handbook on Behavioural Policy Making. Edited by Beck, S, Straßheim H. Cheltenham: Edward Elgar chapter 5; in press.
Strassheim H 2017: Die Globalisierung der Verhaltenspolitik. In: Jahrbuch Normative und institutionelle Grundfragen der Ökonomik. Edited by Hirschbrunn, K,Marburg.
Thomann E 2018: “Donate your organs, donate life!” Explicitness in policy instruments, in: Policy Sci.

Policy mix sequencing: The case of energy efficiency in buildings in Switzerland

Nicolas Schmid (ETH Zurich)
Leonore Haelg (ETH Zurich)
Sebastian Sewerin (Swiss Federal Institute of Technology, Zurich)
Tobias Schmidt (ETH Zurich)

The building sector is one of the main contributors to anthropogenic CO2 emissions (IEA 2017), and its decarbonization requires the diffusion of more energy-efficient technologies (Ürge-Vorsatz, Koeppel, and Mirasgedis 2007). Existing research focuses mostly on the techno-economic and behavioral barriers of such transitions and how policies should address them (Noailly 2012; Yeatts et al. 2017), underemphasizing the political processes behind changes in energy efficiency policies (Meadowcroft 2011; Rosenow 2013). This paper addresses this gap by exploring how the interplay between voluntary and mandatory forms of governance and their temporal sequencing (Howlett 2009; Meckling, Sterner, and Wagner 2017) affects energy efficiency policymaking. Drawing on policy mix literature (Flanagan, Uyarra, and Laranja 2011; Schmidt and Sewerin 2018) and policy feedback literature (Béland 2010; Pierson 1993), we conceptualize the policymaking process as a dynamic process, in which specific forms of governance at time t1 affect subsequent governance at time t2. Empirically, we analyze the case of Switzerland, comparing the changes of building efficiency standards on two key technologies across 23 sub-national jurisdictions (cantons) and over more than 30 years. In a first step, we collect a novel dataset on efficiency standards, e.g. mandatory governance, in the building sector in an attempt to better understand their temporal, spatial and technological patterns. In a second step, we use the previously compiled dataset for case selection. With a focus on selected cantons, we examine whether changes in efficiency standards (mandatory governance) can be explained as a result of previous changes in efficiency labelling (voluntary governance). We analyze how these earlier forms of voluntary governance feed back into the policymaking process through their impact on technological change, mediated by technology-inherent characteristics. Preliminary results indicate a form of “reactive” sequencing (Daugbjerg 2009), where voluntary governance at t1 triggers technological change which, in turn, increases the political feasibility for implementing stricter efficiency standards, i.e. stricter mandatory governance, at t2. We discuss the relevance of these findings for the broader literature on policy feedback, policy mix literature, and the literature on politics in sustainability transitions, as well as the role of agency therein.

Breaking new ground or adhering to ‘what works’? Comparing Policy Instrument Choice to Overcome Regional Shortages in the Supply of Medical Care in Germany and France

Renate Reiter (Fernuniversität Gesamthochschule Hagen)

Since the early 2000s, the problem of regional shortages in the supply of ambulatory medical care has emerged on the health policy agenda in several Western European states. Shortly afterwards, France and Germany were amongst the countries to seek to overcome this policy problem by the adoption of particular policies. In this context, French policy-makers – besides selecting traditional instruments – could select a range of new (regulative) instruments like a re-regulation of medical studies or regulations to re-organize the provision of medical services finally leading to an innovative mix of instruments of the regulation of medical care. German policy-makers, in contrast, essentially adhered to traditional instruments in this field of recurrent regulation, namely the creation of material incentives for health professionals, i.e., first and foremost, physicians.

The paper is concerned about the driving factors influencing the selection of policy instruments in fields of recurrent regulation. It takes the instance of varied instrument selection in two institutionally similar Bismarckian welfare states, Germany and France, faced with the similar problem of regional shortages in medical supply as a an empirical example in order to comparatively analyse the framework conditions and drivers of policy instrument choice in such fields. The paper particularly sheds light on the significance of the framing and definition of the policy problem in question so as to understand the selection and mix of policy instruments in the two countries compared.

The paper argues that, in fields of recurrent regulation, the framing and definition of policy problems often is not a subject of controversy. The selection and mix of policy instruments thus tends to be based on agency-related as well as structural factors like policy-makers’ experience (‘what works’) or traditional assumptions about the appropriateness of certain instruments seen from the perspective of core stakeholders of political and functional interests. Under such conditions, given instruments will be adapted to new challenges. However, when politicization of a well-known policy problem occurs (e.g. due to new information about the framework condition leading to the problem at stake or due to a changed constellation of political stakeholders and the formulation of interests), this often leads to a reframing of the problem at stake. As a consequence, the selection of policy-instruments might as well be concerned as policy-makers are confronted with new expectations by (new) stakeholders of interest, with emerging public expectations and/or with new regulatory ideas.

The paper fits the panel as it combines theoretical reasoning on the driving factors influencing instruments’ selection with empirical research notably drawing on data from a recently terminated internationally comparative research project on the provision of medical care in disadvantaged regions.

P04 / Combining Instruments in Formulating Policies: Why and How Decision-makers Set up Policy Instruments' Mixes

Chair : Andrea Lippi (Department of Political and Social Sciences, University of Florence)

Second Chair : Giliberto Capano (Università di Bologna)

Session 2

Thursday, June 27th 16:30 to 18:30 (MB S1.430)

Discussants

Andrea Lippi (Department of Political and Social Sciences, University of Florence)

Reforming governance through policy instruments: how and to what extent standards, tests and accountability in education spread worldwide

Antoni Verger (Universitat Autónoma de Barcelona)

New forms of regulatory governance strongly rely on data-intensive policy instruments. Data-intensive instruments are adopted on the top of more traditional fiscal and legislative instruments in an attempt of steering increasingly fragmented and multi-layered policy systems more effectively. These instruments are technically complex and sophisticated in design. Their main functions are to collect new forms of information on public sector performance, and to manage public services' conduct at a distance (Scott, 2000). In education, regulatory governance has meant the adoption of national large-scale assessments, test-based accountability, and explicit learning standards. These instruments have disseminated widely in the education sector, to the point that are being enacted in countries with very different administrative traditions and levels of economic development. Nonetheless, comparative research on the rationales of adoption of governance instruments and on the trajectories that these instruments follow in different institutional and socio-economic contexts is still scarce.

On the basis of a systematic literature review (n=158), this paper enquires into the logics of adoption of national large-scale assessments and test-based accountability instruments in the educational sector, as well as into the modalities of educational governance change that these instruments have triggered in a broad range of institutional settings. Theoretically, the paper is informed by a political sociology approach to policy instruments (Kassim, & Le Galès, 2010), which is combined with premisses coming from historical institutionalism (Mahoney, 2000).

The paper shows that, internationally, educational governance reforms advance through path-dependent and contingent processes of policy instrumentation that are markedly conditioned by prevailing politico-administrative regimes. Specifically, we analyze how education policy instruments are adopted for different reasons and evolve differently in the context of Anglo-American, Neo-Weberian and Napoleonic administrative traditions. The paper also reflects on the additive and evolving nature of policy instruments. Specifically, we observe that, in the context of regulatory governance reforms, educational systems are changing as the result of the sedimentation and layering of different instruments, techniques and tools that are not necessarily articulated in a predefined reform program. In fact, we identify numerous cases where, with the passage of time, national standardized assessments and test-based accountability systems tend to gain autonomy from their promoters and, accordingly, adopt functions and generate effects that were not initially foreseen.

This paper has been developed in the context of the ERC-funded project *Reforming Schools Globally: A Multi-Scalar Analysis of Autonomy and Accountability Policies in the Education Sector.*

References

Kassim, H., & Le Galès, P. (2010). Exploring governance in a multi-level polity: A policy instruments approach. West European Politics, 33(1), 1–21. http://doi.org/10.1080/01402380903354031

Mahoney, J. (2000). Path dependence in historical sociology. Theory and Society, 29(4), 507–548.

Scott, C. (2000). Accountability in the regulatory state. Journal of Law and Society, 27(1), 38–60. doi:10.1111/1467-6478.00146

Do many hands really make light work? A comparative analysis of ministerial organisation patterns in the UK and France

Claudia Acciai (IT University of Copenhagen)

Kieron Flanagan

Contemporary societies are facing increasing socially and politically complex challenges. This complexity is associated with the fact that emerging policy issues cut across different interconnected problems (Verhoest, Bouckaert, 2005 in Painter, Pierre, 2005), which do not easily fit into departmentalised structures, and areas of responsibility, of formal policy-making institutions (Pelkonen et al., 2008). This causes a blurring of competences between policy sectors, which can stimulate different attempts of coordination and dialogue among detached policy making organisations.

The field of research & innovation policy is an emblematic case in point for these phenomena, because its goals imply a policy mix “encompassing common visions for the future” that ranges across a number of sectoral policies (Braun, 2008:231; Flanagan et al, 2011). These policies aim at solving transversal policy issues (Peters, 2005; Jochim, May, 2010), related with knowledge production and exploitation practices, which usually span across “classical” policy sectors (Trein, 2017).

To solve these issues policy makers have developed different organisational strategies relying on external, or internal, coordination practices (Braun, 2008). These two institutional systems attempt to strike a balance between specialisation and coordination, which seems to have different effects on the policy capacity of governments (Verhoest, Bouckaert, 2005 in Painter, Pierre, 2005). Since choices are shaped, mediated and channelled by institutional arrangements (Power, Di Maggio, 1991:2); we can hypothesise that different institutional structures have heterogeneous effects on the extent of appropriateness and consequentiality adopted for the policy instruments selection process and therefore influence the coherence and coordination of R&I policy mixes (Peters, 1998; Chung, 2013; Mavrot et al., 2018).

Through a diachronic analysis of R&I ministerial organisations in the UK and France, we will assess the coherence and coordination between the instruments that constitute the national policy mix. The ultimate goal is to understand how formal organisational structure of policy making institutions influence policy design capacity in sectors characterised by transversal policy issues.

Strategy and performance in public policy - Establishing the missing links

Jarmo Vakkuri (University of Tampere)

Jan-Erik Johanson (Tampere University)

Strategy and performance in public policy - Establishing the missing links

Abstract proposal to ICPP conference, Montreal, 26-28 June, 2019

Track: Combining Instruments in Formulating Policies: Why and How Decision-makers Set up Policy Instruments’ Mixes

Prof. Jan-Erik Johanson and Prof. Jarmo Vakkuri, Tampere University, Finland

email: jan-erik.johanson@tuni.fi, jarmo.vakkuri@tuni.fi

Abstract

This paper describes the connection between strategy and performance, two highly important forms of purposeful action in public policy design. We observe both theoretical and empirical reasons to study the links between strategy and performance: there is research on strategic management and performance management, but the link between these two policy instruments is largely undeveloped (Johanson & Vakkuri 2017; Johanson 2019). In terms of public policies, strategy and performance may incorporate similar characteristics, problems, and opportunities, but they also have slightly different perspectives when it comes to temporality. As justification mechanisms, strategies are needed to justify future endeavours, and performances are utilised to legitimize the past activities. We can think of a time continuum in which public policies, with an aim to maintain their legitimacy, over time employ performance demonstrations to convince different audiences of their past achievements and create visions and goals to justify their future actions. This is partly explained by the fact that constructions of performance are based on historical data, and strategy making involves using historical records in order to explore the future.

However, strategy and performance interact over time, which makes it difficult to combine these two instruments in public policies. How do strategies and performance interact? Are they ordered in a hierarchical or in some other fashion? How do performance and strategy connect to linear and cyclical progress of public policies? The ways in which past activities are justified have an important bearing on the methods of justifying future goals. It is complicated to set future goals without understanding of the past. Reasonable goals are influenced by an historical understanding of institutional performance that indicates what is possible and feasible. This process is also true vice versa: Performance evaluation is closely linked to the goals that have been set for public policies. In this regard, it may be difficult to chronologically delineate the past from the future, or performance from strategy. They may be seen as two sides of the same coin in (Allen 2012).

Our examination of the strategy–performance interface follows a sequence; first, it will present the frameworks for strategic management and performance management. Strategic design, internal strategic scanning and strategic governance are alternative strategy modes, each of which portrays a different facet of strategic management instrument. Economy, efficiency and effectiveness are alternative measures of performance. By utilizing theoretical literature and empirical, illustrative case data on selected public policies we aim to establish links between strategic management and performance measurement in nine different policy arenas. Our paper aims to contribute to research discussions on the significance of explicitly combining strategic management and performance management in public policy and administration.

Keywords: strategy, performance, public policy, policy instrument

Varieties of contracting-out in local public services. Evidence from the Italian municipalities

Stefania Profeti (Università di Bologna)

Valeria Tarditi (Università di Bologna, Dipartimento di Scienze Politiche e Sociali)

Contracting out public utilities and social services was prominent among the policy instruments that spread out in the 1980s and 1990s within the NPM agenda. In particular, contracting-out has been usually presented as an effective tool to reduce costs for local service delivery, since it would introduce competition among providers and allow exploiting economies of scale when a firm delivers the same service in several towns.

However, we cannot assume that decisions to adopt such an instrument are led by sheer technical, rational, interests-free considerations on its functional superiority over the others: indeed, although scholars commonly agree that over recent decades governments at all levels have expanded the range of service delivered through external contracts, there is much less unanimity when we look at the conditions under which the externalization of services is supposed to be more likely - or at least suitable, as well as the reasons behind political decisions to contract-out services, which are often depicted as the the result of complex, institutionally and contextually framed causal mixes. Moreover, although contracting-out is often analyzed as a unitary policy instrument, various tools are indeed available to deliver services through external contracts, such as corporatization, 'material' privatization and marketization at all. Which obviously have different implications as to the design of control and accountability mechanisms.

Following Hood’s call for institutions-as-tools and politics-of-instrumentality approaches, in this paper we aim at investigating what mix of strategies, conflicts and rationales goes along with the decision to contract-out services in the Italian municipalities, as well as why (and how) a specific mix of tools emerges as the preferred solution over the others. Has contracting out followed a conscious, rational logic, or has it emerged (or been limited) through processes of adaptation, isomorphism, or in response to altogether different pressures from mere efficiency or compliance? Have the economic crisis, or changes in the governing majorities, or other processes, significantly affected the agenda of local decision-makers, as well as the formulation of policy alternatives and their implementation?

Drawing upon a survey of available official data, in the proposed paper we provide first a synthetic quantitative overview of contracting-out practices in Italian municipalities, in order to account for the varieties of contracting-out solutions available to local decision-makers. Then a qualitative focus will be put on two case studies, the cities of Mantua and Leghorn, so as to trace the processes through which local administrators have made their decisions on the externalization of waste services, and policy solutions have been implemented. The two cases have been selected following a most different system design logic (both cities differ as to political color, financial autonomy, policy legacy, inter-institutional relations etc.), with the aim of exploring mechanisms and variable interactions within different systems so as to generate hypotheses to test at a more general level.