W01 / Overreaction in Politics and Policy

Topic : Policy Process , Policy & Politics, Policymaking, Policy implentation

Chair : Moshe Maor (Reichman University)

Second Chair : Bryan Jones (University of Texas at Austin)

CALL FOR PAPERS

A critical aspect of political life is the inability or unwillingness of individuals and decision-makers to respond proportionally to new information. One manifestation of this phenomenon is overreaction (Maor 2012) or overinvestment (Jones et al. 2014). The premises underlying this workshop is that the study of overreaction in politics and policy is theoretically meaningful because it contributes to our basic understanding of fundamental processes, such as the oscillation of policy between periods of under- and overreaction to the flow of information coming from the environment into the system (Baumgartner & Jones 1993), and it is practically important because, under certain conditions, such a policy response creates substantial value for policymakers (Maor 2017a). But we still lack a thorough understanding of the processes by which this type of elite decision-making occurs and is managed, and we still lack clarity regarding how that value is created.

Although research examining overreaction in politics and policy remains at an early stage, it is clear that it largely develops along three paths. The first path comprises psychological explanations which put all overreactions down to errors derived from cognitive biases and constraints on information processing, as well as socio-psychological dynamics in small decision-making groups (Janis 1982, 1989; Jervis 1976; Jones & Baumgartner 2005; Maor 2012; Mintz & Wayne 2016; ?t Hart et al. 1997; Walker & Malici 2011). The second path comprises newly-emerging institutional explanations which put all overreaction down to errors derived from institutional values, procedures, myths, and routines (Peters et al., 2017). The third path comprises newly-emerging strategic explanations which revolve around the idea that at times overreactions in politics and policy reflect intentional choices which may be carefully developed, meticulously debated, executed as planned, and successful in achieving the intended goals, especially during crises involving panic and public fears (Maor 2017a,b,c,d,e).

This workshop aims to advance the study of overreaction in politics and policy by building on the disproportionate policy perspective as well as on advances in the study of endogenous disjoint change, framing, emotions, social contagion, policy bubbles, elite decision-making, and new institutionalism. We are seeking conceptual, empirical and methodological papers that revolve around the following questions: What are the conceptual foundations, analytical anatomy, and the conceptual reach of these explanations? What models could be developed in order to understand endogenously produced disjointed change in public policy? What are the implications of the disproportionate policy perspective for better understanding intentional overreaction in politics and policy? To what extent can individual cognitive processes help us understand changes at the aggregate level? What is the role of emotions and emotional entrepreneurs in overreaction? How can institutional and strategic explanations of overreaction blend findings from studies of human cognition and decision-making? How do policymakers balance between overreaction rhetoric and doctrine, and between selective and non-selective modes of policy overreaction, and what are the implications of such choices? How are policy issues framed in policy overreaction speeches in order to reach out to the targeted audience? What rewards do politicians and bureaucrats receive from overreaction?

ABSTRACT

A critical aspect of political life is the inability or unwillingness of individuals and decision-makers to respond proportionally to new information. One manifestation of this phenomenon is overreaction. The insight of the punctuated equilibrium theory—that policy responses oscillate between periods of underreaction to the flow of information coming from the environment into the system and overreaction due to disproportionate information processing—implies that policy overreaction is the norm rather than the rarity. Although research examining overreaction in politics and policy remains at an early stage, it is clear that it largely develops along three paths. The first path comprises psychological explanations which put all overreactions down to errors derived from cognitive biases and constraints on information processing, as well as socio-psychological dynamics in small decision-making groups. The second path comprises newly-emerging institutional explanations which put all overreaction down to errors derived from institutional values, procedures, myths, and routines. The third path comprises newly-emerging strategic explanations which

revolve around the idea that at times overreactions in politics and policy reflect intentional choices which may be carefully developed, meticulously debated, executed as planned, and successful in achieving the intended goals, especially during crises involving panic and public fears. This workshop aims to advance the study of overreaction in politics and policy by building on the disproportionate policy perspective; studies of endogenous disjoint change, as well as on advances in the study of framing, emotions, social contagion, policy bubbles, elite decision-making, and new institutionalism. We aim to advance the disciplines of political science and policy sciences by highlighting a conceptual turn whereby the concept of overreaction reenters the policy lexicon as a type of intentional policy choice rather than a policy error, and by suggesting ways by which strategic and institutional explanations of overreaction can incorporate behavioral findings.

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Session 1Opening workshop

Tuesday, June 26th 10:15 to 12:15 (Posvar Hall - 4913)

Introduction

Moshe Maor (Reichman University)

Bryan Jones (University of Texas at Austin)

Introduction

W01 / Overreaction in Politics and Policy

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Session 2

Tuesday, June 26th 13:45 to 17:00 (Posvar Hall - 4913)

Overreaction in Politics and Policy

Moshe Maor (Reichman University)

Although research examining overreaction in politics and policy remains at an early stage, it is clear that it largely develops along three paths. The first path comprises psychological explanations which put all overreactions down to errors derived from cognitive biases and constraints on information processing, as well as socio-psychological dynamics in small decision-making groups. The second path comprises newly-emerging institutional explanations which put all overreaction down to errors derived from institutional values, procedures, myths, and routines. The third path comprises newly-emerging strategic explanations which revolve around the idea that at times overreactions in politics and policy reflect intentional choices which may be carefully developed, meticulously debated, executed as planned, and successful in achieving the intended goals, especially during crises involving panic and public fears. This chapter explains the conceptual foundations of these explanations, their analytical anatomy, and their conceptual reach. It starts by defining overreaction in politics and policy and then elaborates on the analytical foundations of these explanations and the ways they integrate theories and findings from cognitive sciences into organizational systems of human action. It then highlights the disproportionate policy perspective and the derived repertoire of intentional policy overreactions, including the distinction between overreaction rhetoric and doctrines, as well as the demarcation between selective and non-selective overreaction. Next, it elaborates on the way strategic explanations reconcile intentionality with behavioral micro-foundation. It then looks at policy overreaction which is sustained by positive feedback processes and contagion over a relatively long period of time—a phenomenon termed “policy bubbles.” It concludes by sketching out a number of directions in which the overreaction agenda could be experimentally broadened to better encompass scope conditions of its cognitive causes and the dynamics of policy bubbles.

Detecting positivity bias and negativity bias in public decision-making

Böhme Mirijam (University of Bamberg)

Large infrastructure projects are well known for their delays and cost-overruns. Research on large infrastructure projects has laid down that they are indeed frequently delayed and significantly exceed the estimated costs (Flyvbjerg 2014). Among other reasons, scholars have identified an positivity bias – i.e., the fact that people tend to assign positive values to an entity while ignoring negative cues (Kahneman and Tversky 1982) – in public decision-makers’ reasoning as a potential cause. Following Flyvbjerg (2014), public decision-makers frequently underestimate the costs and time needed to complete a project while overestimating its benefits. As these claims are based on macro data and exemplary individual statements, this paper aims to contribute to the literature by providing a structured analysis of a decision-making process of one large infrastructure project to test to what degree the positivity bias is indeed present and does influence the process. To this end, I carry out a framing analysis of the decision-making and reasoning during the planning of the High-Speed-Two station in London (UK) from the principal political decision for the implementation of the project to the detailed planning decisions shortly before constructions start. The analysis is based on in-depth interviews with politicians, planners, and citizens, parliamentary reports, and news coverage. Preliminary findings suggest that a positivity bias can be attributed to state-level politicians and planners. This does not hold for affected local politicians, administrators, and residents, who often use consistently negative frames, suggesting the presence of a negativity bias – i.e., a greater risk and loss aversion – instead.

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Session 3

Wednesday, June 27th 09:00 to 12:15 (Posvar Hall - 4913)

The valley of forsaken youths: vulnerability, human rights and overreaction in Brazil's anti-violence policy

Andrei Suárez Dillon Soares (Brazilian Government)

The paper will attempt to answer a simple question: how could the adoption of a human rights perspective have led the Brazilian State to refuse to collect data about violence committed against a social segment that accounted for 78.0% of the country's murder victims, but only 28.8% of its population? More specifically, it will address how a series of disjointed, incremental overreactions to the vulnerabilities – some verifiable, some perceived – of specific populations led the Brazilian Unified Healthcare System (SUS) to exclude non-domestic violence committed against non-elderly male adults (NEMAs) from the county's Information System of Notifiable Hazards (Sinan), an integrated national health surveillance database.

As will be shown, this exclusion of NEMAs from the list of segments for which notification of non-lethal, non-domestic violence is mandatory has resulted in gross underreporting of aggressions against these males, with the omission of at least 20.000 cases per year. In other words, the Brazilian State deliberately refused to collect data about the environmental, temporal and social contexts of violence practiced against NEMAs, such as where and when the assaults occurred, the types of weapons used, the injuries caused and the relation between victims and assailants.

Brazil does have a unified national database tallying causes of death, including homicide, the Mortality Information System (SIM). Based on obituaries, however, this register is only capable of collecting data regarding victim demographics and causes of death, and includes no variables addressing the contexts of aggression – for which Sinan would be the closest proxy.

The result is a dangerous policy blind spot that diminishes Brazil´s capacity to elaborate effective public policies capable of curbing a surge in lethal violence that led it to have the world's ninth highest homicide rate, accounting for one of every eight murders committed in the country. Ironically, this deliberate blindspot compromises the collection of data regarding non-lethal aggressions committed against the social segment most vulnerable to violence in Brazil: young black youths, who face a yearly homicide rate of 150.8 cases per 100.000 – against 19.3 for the remainder of the population. As the paper will demonstrate, it also compromises data regarding violence against other vulnerable male populations – such as men with disabilities, native Brazilians and even gay or bisexual men.

In an attempt to explain the administrative decisions that compromised data collection regarding violations suffered by these populations, the paper will suggest that the extrapolation of gender-specific vulnerabilities in the domestic sphere ultimately led policymakers to assume the impossibility of male vulnerability in public spaces. For its part, this suggestion will lead to an analysis of the very concept of vulnerability, understood as a condition or process resulting from physical, social, economic and environmental factors, which determine the likelihood and scale of damage from the impact of a given hazard (UNDP 2004).

Reaffirming the inherently relational, unessential aspect of all vulnerability, the paper will reinforce the importance of understanding the concept not as an a priori attribute of any given subject or population, but as a function of the empirically verified risk to which such subjects and populations are exposed in specific social contexts. In conclusion, it will argue that approaches that fail to perceive this probabilistic nature of vulnerability may ultimately promote overreactions and incorporate cognitive biases that – ironically – violate basic human rights principles, such as their universality, inalienability and interdependence.

The U.S. Congressional Tax Reform of 2017 is a political overreaction increasing the likelihood of U.S. hospital closures.

Zigmond Kozicki (University of Detroit Mercy)

Stephanie Baiyasi-Kozicki (Central Michigan University)

The U.S. Congressional Tax Reform of 2017 is a political overreaction increasing the likelihood of hospital closures.

The 2017 Tax Cuts and Jobs Act is expected to close hospitals in the United States because of an expected reduction of Medicare funding. The proposed cuts to Medicare in 2018 as a result of The Tax Cuts and Jobs Act could be $25 Billion. A systematic review and quantitative analysis of 90 Michigan hospitals listed in the 2017 American Hospital Directory was conducted using return on investment (ROI) of 2% or less as a criteria for risk of closing. In Michigan, 54 hospitals (36 urban and 18 rural hospitals) are currently at risk. If these hospitals close this would cause the shifting of patient days (1,832,268 days) from the 54 at-risk hospitals to the remaining 36 hospitals. This will become a statewide population health problem. Policy changes driven by this tax plan is creating instability in the 3,976 United States short-term, acute care hospitals. Many of the smaller acute care hospitals and economically stressed urban hospitals will be subject to economic pressures that could end up forcing them to stop providing most services and even closing their facility. Their closing will create economic collapse of many American communities. It is estimated that as many as 54 Michigan and 1142 US hospitals could close. There are specific actions that can be initiated to counter this overreaction and help prevent hospital closures in Michigan.

A DRAMATURGY OF AUTHORITARIAN POPULISM AND PUBLIC POLICY IN 'NEW INDIA'

Neil Lincoln Tannen (St. Joseph's University, Bengaluru)

An interesting trend of Authoritarian Populism is witnessed in the developed as well as developing democracies in contemporary times. The rise of this phenomenon is qualified and supported through the process of democracy, wherein elected populist leaders and populist parties have legitimized their stranglehold on power. In a sense these developments in world politics have created a great disruption in the traditional patterns of politics that have been endemic to these democracies. Prior to probing the context specific rise of ‘populism’ in societies around the world, and the variegated discussion surrounding it, it is important to point that the very concept of populism is not a new one. In fact, a wealth of literature surrounding the subject has very neatly pointed towards the three successive waves in which it has confronted societies(especially in the West) since its intellectual conception around the late 70s (Hall, 1979; Jessop, 2014; Inglehart and Norris, 2016). While the existing scholarship provides the distinction between the economic insecurity thesis and the cultural backlash thesis to point out the reasons for the rise of popular leaders and parties in certain cases, it largely ignores the phenomenon that has steadily gained ground in South Asia, especially in the world’s largest democracy of India. The rise of the present ruling political dispensation under the Bharatiya Janata Party (BJP) regime in India, since 2014 is an interesting case study that can be analysed in the larger discussion surrounding authoritarian populism and new public management, in political science and public policy discourse. In this regard the central question around which this project is developed is: What are the modalities through which, the present BJP regime has established a strategy of public management that carefully balances the role of the ‘State’, with that of the compulsions of electoral politics in India? Placing in the backdrop the existing literature on authoritarian populism and new public management, and on data gathered from a primary level field survey in the Indian states of Gujarat, Rajasthan and Uttar Pradesh over a ten month period, this paper analyzes and sheds light on the broader trends of electoral politics witnessed in India, and the novel approach adopted by the BJP party machinery in sustaining power through modes of public management subsumed by a larger narrative of authoritarian populism, that can neither be explained by the economic insecurity thesis nor cultural backlash thesis completely.

This paper provides an interesting study of the BJP regime through an analysis of the larger political trends witnessed in India, and more specifically focuses on the element of public policy and its contribution in the present model and style of governance and leadership, that is seen in ‘New India’. In this regard, this paper contributes to the existing body of knowledge on political regimes and further adds to the renewed debates pertaining to the role of public policy in the era of volatility, uncertainty, complexity and ambiguity (VUCA)

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Session 4

Wednesday, June 27th 13:45 to 17:00 (Posvar Hall - 4913)

Unreliable Protection: Proportionality Judgments in War

Raanan Sulitzeanu-Kenan (Hebrew University)

The proportionality principle is a central element in the protection of civilians in wars. However, does this principle provide reliable guidance? We present evidence from a set of experimental studies (N=1438) with three samples: Experts in the legality and morality of war (from over 11 countries), military officers from two countries, and a representative sample of the US population. We evaluate the reliability of proportionality judgments based on three criteria: (1) Sensitivity to the military value of the military target in question; (2) Judgment convergence of judgments regarding identical scenarios; and (3) Judgment robustness to irrelevant factors (biases). Basic knowledge of the proportionality principle appears to drive respondents away from extreme options, and guarantees sensitivity to variation in the military value of targets. However, experts exhibit high level of judgment dispersion, suggesting low-reliability. Decision biases were found in all the groups except military officers. These findings cast doubt on the reliability of the proportionality principle in guiding decisions.

Can Evidence-based Policy Contribute to Correcting Overreaction? ?Considering Democracy and Rationalized Policy Making?

Kazuya Sugitani (Iwate Prefectural University)

Evidence-based policy making is strong stream in many developed democratic states. It aims to rationalize policy processes and improve policy programs. According to the theories of evidence-based policy, political processes are not preferable because they distorts the policy programs. Thus, promoting evidence-based policy making means that strengthen the experts and scientific knowledge in politics.

Evidence based policy concentrates on rationalizing policy process and public policy making. Therefore, it is said that evidence-based policy can contribute to correcting political overreaction because rationalization can deal with overreaction and irrationality. However, some researchers argue that evidence based policy disregards the value of democracy and it harms participation by citizens. Indeed, theorists of evidence based policy argue that politicians or administrations neglect the importance of evidence. According to such a perspective, participation is not preferable for good policy making. On the contrary, some researchers argue that in public policy making, we need to consider democracy and social value. These conflicts have a long history in public policy studies and analysis.

However, these discussions are often carried out without ‘accountability’. The concept of accountability is complex, but it is clear that accountability has a strong relation with citizens who are not bureaucrats. This concept suggest that public policy must maintain clarity regarding why a policy is upheld or ended. Despite this, practices and theories of evidence-based policy emphasize ‘what works’ , which relates to specific policy programs. They concentrate on improving policy programs. Thus, accountability to citizens has not been afforded due importance. Some researchers supporting evidence- based policy argue that evidence can correct the irrationalities of public policy and contribute to accountabilities. However, these sorts of evidence are too difficult to understood by laypersons, and in many cases, these evidence only serve to generate consensus among other policy elites, or other administrations in opposition.

Considering these aspects, it seems that evidence-based policy cannot contribute to correcting political overreaction because it does not aim to develop good relations with citizens. In my presentation, I explore seek some previous researches of evidence-based policy and consider the relation between evidence and accountability.

I will also examine an example of evidence-based policy in Japan, specifically scientific technology policy.

Japanese scientific technology policy insists on a basis on evidence. However, Japanese scientific technology has many problems, amongst them, accountability. In this policy, the papers and reports are publicly available to be read by anyone, but such information is too complex, and thus difficult to understand. Thus, it does sufficiently satisfy accountability.

To correct overreaction in politics, not only policy elites but also laypersons must learn from evidence, particularly because the democratic process is prone to radicalization. Nevertheless, evidence-based policy has been ignoring the importance of accountability, and therefore, is unable to address overreaction in politics.

In my presentation and paper, I will suggest a new form of evidence-based policy which can deal with overreaction, one that will contribute to improve democratic process.

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Session 5

Thursday, June 28th 09:00 to 12:15 (Posvar Hall - 4913)

Excessive Policy Volatility: A Framework with Some Applications from the field of Pension Reforms

Achim Kemmerling (Willy Brandt School of Public Policy - University of Erfurt)

While scholars and practitioners are often concerned about why policy change occurs so rarely, a phenomenon known as policy gridlock, the opposite is mentioned less often: too much policy change. Building on the recent literature about disproportionate policy change and policy bubbles (Jones, Thomas, and Wolfe 2014; Maor 2014a) , we study the long term durability of reforms with particular interest in cases where policy change occurs with high frequency and amplitude, processes we label ‘excessive policy volatility’ (EPV). We develop a theoretical framework to understand the factors that produce EPV after major reforms and outline different forms of it, including pendulum swings and bubbles. Such forms of excessive instability are often the consequence of a ‘perfect storm’ coming from outside pressure in permissive domestic structures. To illustrate, we primarily rely on examples from the last three decades of pension reform focusing on the rise and fall of mandatory private pension schemes in Eastern Europe and Latin America, but also briefly show instances of EPV in other policy areas.

Disproportionate Policy Response by Design: Towards a Conceptual Turn

Moshe Maor (Reichman University)

Since the U.S. response to 9/11 and the federal response to Hurricane Katrina, there has been increasing interest in the concept of disproportionate policy response and its two component concepts—policy over- and underreaction. These concepts are viewed by traditional policy theory as unintentional policy mistakes. This paper highlights a conceptual turn whereby these concepts are re-entering the policy lexicon as types of intentional policy choices. This turn, as well as rising negativity and populism in democratic politics, force policy scholars, and policymakers to ignore the negative connotations associated with these concepts and to recognize instead the repertoire of disproportionate policy response and, at times, its success in achieving policy goals. The paper elaborates on this theoretical advancement and concludes by identifying five areas that offer promising possibilities for future research on intentional disproportionate policy response: definitional foundations, micro-foundations, levels of analysis, temporality, and dynamism, and process research.