

CHAPTER 2

Contexts of Public Policy

SUMMARY OVERVIEW

Public policy-making takes place within the general social, political, and economic environment. This chapter examines public policy making through the lenses of the institutional context, the economic context, the demographic context, the ideological context and the cultural context.

I. The Institutional Context

The unique features of the American political system, its basic structures— federalism, the party system, the power of the presidency, and the system of checks and balances shape policy. Policy in the area of civil rights, for example, continues to be determined substantially by the federal courts because of the constitutional system of government and the courts' power of judicial review. The United States' political system is based in part on a separation of responsibilities among different units of government. Problems that must be addressed by government, however, do not respect jurisdictional boundaries.

The federal system established by the U.S. Constitution ensured both the need for interaction among governmental units as well as flexibility and tension in those interactions. The principal issue in federalism is what role each level of government should assume.

Numerous groups or special interests affect intergovernmental policies. Congress is the main actor in that it passes the legislation that fosters intergovernmental activities. Congress also tends to want to impose conditions on programs it funds and is the focal point for broad national policy development, which often results in particular mandates on state and local government.

During its first century and a half, the United States federal system changed gradually. Because the nation was essentially rural and society was relatively uncomplicated, the responsibilities of the national government and the states were easy to define.

Because money provided by the national government is a major source of funding for intergovernmental activity, the emphasis in intergovernmental relations is often on fiscal relationships, but there are other forms of interaction as well, such as regulations and voluntary cooperative efforts. Most federal funding has been in the form of categorical grants in which money is provided for a specific project with stipulations on exactly how the money can be used.

Complaints about the intergovernmental system usually focus on the growth of the national government at the expense of state and local autonomy. One of the most common complaints about the federal government is that it imposes too much red tape on the state and local recipients of aid. State and local administrators complain about the amount of paperwork in applying for and administering grants. The paperwork increases the costs to the recipients and delays the project's completion.

The financial relationships between governmental units are among the most

significant interactions. The national government increased the numbers of funded programs during the mid-twentieth century; thus, intergovernmental transfers of funds became significant.

Issues in the debate revolve around which levels of government have particular powers and how those powers are exercised. The argument about which level has what powers arises as the national government adopts policies or implements decisions on any number of issues.

II. The Economic Context

The question of how to manage scarce resources and to distribute them fairly occurs more frequently. Economic trends have an impact well beyond strictly economic issues influencing education, health policy, and foreign policy for example.

III. The Demographic Context

The generational, racial, and residential characteristics of a nation's population change constantly, reflecting new trends in birthrates, life expectancy, job opportunities, and migration patterns. Some of these trends directly affect policymaking.

IV. The Ideological Context

Public policy is a field of debate over the meaning of basic values and principles. Ideological perspectives on American public policy have always ranged along a spectrum, however, *conservatism* and *liberalism* have dominated policymaking and evaluation in America.

Issue definition is not a neutral, apolitical process. The definition of a policy problem is always a matter for disagreement among people of competing beliefs and principles. Ideology is very much involved in the cultural changes sweeping American society.

V. The Cultural Context

Culture refers to the patterns of fundamental beliefs, principles, traditions, and social assumptions that characterize a society. Demographic changes and ideology impact attitudes toward culture and cultural conflict can be observed in many policy issue debates.

OUTLINE

I. The Institutional Context

1. Intergovernmental Relations
 - a) Issues in a Federal System
 - b) Forms of funding
2. Participants in Intergovernmental Relations
3. Contemporary Intergovernmental Realities
4. Forms of Intergovernmental Interaction
5. Changing Intergovernmental Relations
 - a) Administration Problems
 - b) Finances
6. Whither Federalism?

II. The Economic Context

- III. **The Demographic Context**
- IV. **The Ideological Context**
- V. **The Cultural Context**
- VI. **Summary**

CRITICAL THINKING QUESTIONS

- Was it good public policy for the federal government to bail out Chrysler and GMAC auto companies and not other failing corporations?
- Was ineptness of the federal effort to respond to the gulf region in the aftermath of Hurricane Katrina due to poor policy implementation or problematic because of the lack of resources available?
- The Affordable Health Care Act of 2010 provided funding for states to expand their Medicaid program to more of their citizens who are unable to afford regular healthcare premiums. Many states with Republican governors refused to accept the funding and provide additional healthcare to their citizens. What were their rationales for refusing to accept the funding? How did they justify denying healthcare to their poorest citizens? Did the affected state population protest their decision?

LECTURE LAUNCHERS

- Consider the demographic, economic, ideological, and cultural contexts. Which of these exerts the greatest influence across the widest range of public policies?
- Discuss how you think the economic context impacts policy making in higher education at your school.
- Think about the ebb and flow of Federalism. Do you favor a strong centralized federal government or a more decentralized form of Federalism where decision making and fiscal responsibilities lie more with the states and local governments? Why?
- Review the rise of the baby boomer generation and how their aging will impact public policy in the area of demographics, economics, ideological and cultural context. Discuss whether programs and resources are in place and ready to address the needs and the loss of this generation.

IN-CLASS ACTIVITIES

- Select a current public policy issue, break the class into 5 groups, and assign each group a context (Institutional, Economic, Demographic, Ideological and Cultural). Have them discuss and report out how the public policy issue is defined and addressed by their context.
- The Federal government has set aside funding to begin developing a high-speed rail system, however, have had difficulties finding states to take the funding. Have the class debate the pros and cons of a state taking the money for a high speed rail construction project.
- Select a current public policy issue (immigration, healthcare, etc.). Split the class in half. One group will take the position of the conservative political viewpoint. The other group will argue from the liberal political viewpoint,

WEB LINKS

American Council on Intergovernmental Relations
<http://govinfo.library.unt.edu/amcouncil/index.html>

Council of State Governments
www.csg.org/default.aspx

Family Facts
www.familyfacts.org/

The Institute for Communitarian Policy Studies
icps.gwu.edu

National Association of Counties
www.naco.org

National League of Cities
www.nlc.org/

The Pew Forum on Religion and Public Life
<http://pewforum.org/>

Public Agenda
<http://www.publicagenda.org/>

Urban Institute
www.urban.org

TEST QUESTIONS

Multiple Choice

1. Which is NOT a more or less constant contemporary “policy context” in the United States?
- A. government structures
 - B. environmental issues
 - C. economy
 - D. cultural changes

ANS: B

REF: 19

2. With respect to the institutional context of American policy, it can be said:
- A. the federal system affects formulation of policies
 - B. the presence of the federal government has expanded in many areas of life
 - C. public distrust of American institutions has grown
 - D. all of the above

ANS: D

REF: 19

3. The distrust of American political and social institutions is NOT related to the _____
- A. Vietnam War
 - B. political scandals in recent decades
 - C. 9/11 Terrorist Attacks
 - D. doubts about the performance of large national government

ANS: C

REF: 20

4. Factors that have contributed to the decline of the American public's trust of government institutions are
- A. budget deficits.
 - B. Watergate and Vietnam.
 - C. corruption scandals.
 - D. all of the above.

ANS: D

REF: 20

5. Which of the following is NOT an important contextual factor in the development of American public policy in the past 10 years?
- A. economic uncertainty
 - B. immigration
 - C. the increase in Marxist attitudes in the public
 - D. the increase in conservative attitudes

ANS: C

REF: 20

6. Lack of confidence in government is attributed to
- A. the troubled roll-out of the Affordable Care Act in 2013
 - B. the inept response to Hurricane Katrina
 - C. Gridlock within Congress
 - D. All of the above

ANS: D

REF: 21

7. Public anger is because of _____ has not checked the spread of government trust.
- A. the financial bailout of Wall Street
 - B. Response to Hurricane Sandy
 - C. The 2012 attack on the US compound in Benghazi
 - D. All of the above

ANS: A

REF: 21

8. The New York and New Jersey Port Authority is an example of
- A. Horizontal intergovernment relation
 - B. Deals with issue that cross state lines
 - C. Is an Interstate compact
 - D. All of the above

ANS: D

REF: 21

9. Which of the following is NOT an example of intergovernmental relations?
- A. state and tribal gaming compacts
 - B. NAFTA
 - C. Education Commission of the States
 - D. Colorado River Authority

ANS: B REF: 21

10. The U.S. Constitution recognized the need for interaction among governmental units the need for flexibility and tension within the interactions.
- A. True
 - B. False

ANS: A REF: 21

11. In the United States, responsibility for national defense lies primarily with
- A. the individual states.
 - B. the federal government
 - C. local governments
 - D. international governmental organizations (IGOs)

ANS: B REF: 21

12. According to the text, which of the following is the main actor in intergovernmental relations?
- A. executive
 - B. courts
 - C. congress
 - D. Federal Reserve Board
 - E. recipients of services

ANS: C REF: 21

13. Prior to 1930, poverty was not seen as a problem, but was viewed as an inevitable social condition.
- A. True
 - B. False

ANS: A REF: 22

14. Federalism is
- A. a unitary system of government
 - B. a confederate form of government
 - C. both A and B

ANS: C

REF: 22

15. Opponents of shifting responsibility from the federal government to the states argue that
- A. States will be equally sensitive to issues such as equity, fairness and civil rights
 - B. States are not likely to have the resources to fund the programs
 - C. States may not always be inclined to continue programs
 - D. B & C only
 - E. All of the above

ANS: B

REF: 22

16. The sale of marijuana is legal in a number of states, but only California and Colorado allow recreational use.
- A. True
 - B. False

ANS: B

REF: 23

17. Federal funding to state or local governments with little or no restriction on its use is known as
- A. Unfunded Mandates
 - B. Block Grants
 - C. General Revenue Sharing
 - D. Categorical Grants

ANS: C

REF: 23

18. Which federal funding mechanism has resulted in states going to court to fight the federal government?
- A. General revenue sharing
 - B. Categorical grants
 - C. Unfunded mandates
 - D. Block grants

ANS: C

REF: 23

19. Which form of funding gives money to state or local units for general purposes instead of for a specific project?
- A. general revenue sharing
 - B. block grants
 - C. unfunded mandates
 - D. private funding

ANS: B

REF: 23

20. _____ role in intergovernmental relations has changed since the 1960's involving school desegregation, school funding and management of corrections.
- A. The President's
 - B. The Courts'
 - C. Mayors and governors
 - D. Concerned Administrators

ANS: B

REF: 24

21. Preemption has become a concern of state and local officials because of their efforts to enforce strict laws against undocumented immigrants and is an example of an attempt to override
- A. Direct orders
 - B. Crossover Sanction
 - C. Partial preemption
 - D. Preemption

ANS: D

REF: 25

22. "Intergovernmental Interaction" includes which of the following?
- A. regulations
 - B. partial preemption
 - C. cross-cutting requirements
 - D. all of the above
 - E. (a) and (c) only

ANS: D

REF: 25

23. Which one of the following is NOT one of the four types of regulations that are a part of intergovernmental relations?
- A. direct cuts
 - B. direct orders
 - C. cross-cutting requirements
 - D. crossover sanctions
 - E. partial preemption

ANS: A

REF: 25-26

24. Among the alleged problems in American federalism are:

- A. red tape
- B. unfunded mandates
- C. distortion of state/local priorities
- D. all of the above
- E. none of the above

ANS: D

REF: 26

25. The threat from the federal government to withhold federal funding from states for failure to comply with certain conditions on a federally funded program is called

- _____.
- A. Partial preemption
 - B. Cross-cutting requirements
 - C. Crossover sanctions
 - D. Direct Order

ANS: C

REF: 26

26. During the 1990s, federal government transfers of money to the states

- A. grew rapidly
- B. declined rapidly
- C. remained the same
- D. grew slowly
- E. the federal government does not transfer money to the states.

ANS: A

REF: 27-28

27. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 is an example of

- A. Intergovernmental transfer of funds
- B. Categorical grant
- C. Cutting domestic spending
- D. Devolving responsibilities to the State

ANS: D

REF: 28

28. The Affordable Care Act of 2010 Medicaid expansion mandate was ruled unconstitutional by
- A. The Supremacy Clause
 - B. Article VI of the Constitution
 - C. President Ronald Reagan
 - D. The Supreme Court

ANS: D

REF: 29

29. Families living through the Great Recession of 2007 saw
- A. Their homes lose values
 - B. The collapse of financial institutions
 - C. High productivity
 - D. All of the above
 - E. A and B only

ANS: E

REF: 30

30. Economically challenging times exacerbated racial tension and affect the controversy over affirmative action and immigration
- A. True
 - B. False

ANS: A

REF: 30

31. The population that will be sixty-five and older is increasing at twice the national population and will reach _____ percent by 2030.
- A. 12
 - B. 50
 - C. 25
 - D. 20

ANS: D

REF: 31

32. The average American is becoming:
- A. younger
 - B. older
 - C. more liberal
 - D. more traditional
 - E. submissive to authority

ANS: B

REF: 31

33. Which state is NOT one where the 60% of new immigrants have settled?
- A. California
 - B. Florida
 - C. Illinois
 - D. New Jersey

ANS: C

REF: 32

34. Which of the following demographic characteristics have resulted in changes in public policy?
- A. The increase in the Hispanic proportion of the population
 - B. The children born during the “baby boom”
 - C. The high-rate of single-parent families, mostly-female head homes
 - D. All of the above
 - E. none of the above

ANS: D

REF: 32

35. Although Hispanics share many of the same problems experienced by African-Americans, they also must deal with _____.

- A. Poverty
- B. Racial discrimination
- C. Language and culture
- D. Anti-immigration sentiments

ANS: C

REF: 32

36. Which is NOT true of the legislative trends due to the changing population trends?
- A. The South & West gained 40 seats in Congress between 1980 and 2000
 - B. The large urban centers of New York, Baltimore, Chicago & Cleveland have experienced declining population
 - C. The North & Northeast have gained congressional seats
 - D. Voting patterns reflect demographic changes

ANS: C

REF: 33

37. Conservatism today includes which of the following:
- A. Neo-conservatives
 - B. the Tea Party
 - C. New Right
 - D. all of the above
 - E. none of the above

ANS: D

REF: 34

38. Today ideological groups, such as liberals and conservatives, are more internally fragmented than in the past. T/F
- A. true
 - B. false

ANS: A

REF: 34

39. In the ideological context of public policy which is true of conservatives?
- A. They tend to have a deeper commitment to equality than do liberals.
 - B. They tend to value civil and personal freedoms more than liberals.
 - C. They are more ready to limit economic freedom.
 - D. They are committed to tradition and authority.

ANS: D

REF: 34

40. The New Right is mostly concerned with
- A. Same-sex marriage
 - B. Income distribution
 - C. Government economic action
 - D. None of the above
 - E. All of the above

ANS: A

REF: 34

41. The ideological movement known as "Libertarians" is committed to which of the following?
- A. oppose restrictions on sexually explicit speech
 - B. conservative economic agenda
 - C. liberal social agenda
 - D. all of the above
 - E. none of the above

ANS: D

REF: 35

Essay Questions

- Compare and contrast the ideological and cultural contexts of public policy. Demonstrate their influence in two different policy areas.
- Which of the populations changes discussed within the demographic context is likely to exert the most influence over the next ten to 15 years? Why?
- Pick a policy area that has particular importance to you and discuss how you see intuitionism playing a role in policy making that area
- How has Federalism changed over time and what directions is it currently moving in? Do you think this good or bad? Why?
- Given that National Guard are under the jurisdiction of the state government, under what authority can the President send the National Guard unit to Iraq and Afghanistan? Why did the President need to call up the guard? Are the governors pleased that their guard units are not available to handle local emergencies?
- Was the Occupy movement successful in influencing change in U.S. economic policies?
- How are the changing demographics of the U.S. going to impact healthcare and social security policy?
- How has the rise of the Tea Party impacted the public policy positions of the Republican Party?