CHAPTER - I

THE CONCEPT OF PUBLIC POLICY
AND THEORETICAL PERSPECTIVES ON
PUBLIC POLICY FORMULATION
INTRODUCTION

Public policy analysis has emerged as an important sub-area of social inquiry as every modern society seeks to reshape and regulate itself on the basis of policy interventions and directions set by formal as well as informal institutions and groups. Public policy is an important mechanism for moving a social system from the past to the future. It has assumed considerable importance in response to the increasing complexity of society. The change in the role & responsibility of the modern state from that of a regulator of socio-economic activity, to that of a promoter of socio-economic development, has resulted in the broadening of the scope and reach of public policies. The study of public policy is not only concerned with the description and explanation of the causes and consequences of a particular policy but also with developing scientific knowledge about the forces shaping public policy. The process of policy formulation has, therefore, attracted increasing attention.

MEANING AND NATURE OF PUBLIC POLICY

The concept of 'policy' is a frequently used term in our daily life and in academic literature. It denotes, among other things, guidance for action. It may take the form of a declaration of goals and objectives; a declaration of courses of action; and a declaration
of societal values. In other words, policy is a purposive course of action taken by those in power in pursuit of certain goals or objectives. When a policy is adopted and implemented by government bodies and it primarily emanates from state institutions it becomes a public policy. Hence, a public policy is consequent on governmental decisions and activities undertaken in pursuance of certain goals and objectives, to be fulfilled within a specified period. It involves a well-planned course of activity sanctioned by law and authority. A public policy is universal in character, as it is applicable to the whole of society. It also possesses a legally coercive quality as the coercive apparatus of the state backs it and thus it commands people's obedience.

Here, it is crucial to cite the definitions of the term given by leading policy analysts. Y. Dror defines public policies as "general directives on the main lines of action to be followed".\(^1\) Thomas Dye's definition states, "public policy is whatever governments choose to do or not to do".\(^2\) David Easton defines public policy as "the authoritative allocation of values for the whole society".\(^3\) For Sir Geoffrey Vickers, policies are "decisions giving direction, coherence

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and continuity to the course of action for which the decision making body is responsible". 4

The nature of policy as purposive action can be better understood if it is compared with other related concepts like decision-making, goal setting and planning. Even though policy-making is closely related to decision making it is not the same as decision-making. Policy-making does involve decision-making, but a decision does not necessarily constitute a policy. Though policy in itself is a big decision, it provides the framework within which several other series of decisions are taken. These may include decisions to issue executive orders, promulgate administrative rules and to make important judicial pronouncements. The policy decisions, eventually taken, thus, provide a sense of direction and coherence to the courses of administrative action.

Policies are distinct from goals and can be distinguished from the latter as can means from ends. Goals refer to the broad intents for which policies are formulated. Policies are mechanisms or a set of actions designed to attain specific goals. Both goals and policies are value loaded terms referring to a distant state of things that are intended to be achieved. Both are chosen under the influence of

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values and both, to a large extent, depend on the values of the policy makers.

Policies are, at times, confused with plans but policy-making must be distinguished from planning. A plan is a policy statement, a program of action for attaining definite goals or objectives. In this scene, planning involves policy-making. But policy making is a more specific activity than planning which is very general and broad in nature. Plans are often transformed into specific well-spelled out policies. Successful policies make for successful plans and administration.

Factors in policy-making process

Policy formulation is the beginning and the most crucial stage of the public policy process as the success of a particular policy as well as its successful implementation is largely determined by the way the policy is being formulated. This policy making process is a very dynamic and complex process involving a great variety of institutions and substructures whose degree of involvement in policy-making varies according to different issues, circumstances and societal values.

As an outcome of governmental activities the policy formulation process involves various organs and institutions of the government like the legislature, the bureaucracy and the judiciary.
While the legislature is the formal institution for policy legislation, the bureaucracy is important in providing expertise, technical assistance and valuable information about the feasibility of policy implementation. The judiciary, by its judicial pronouncements, issue directives for the formulation of particular policies to suit specific needs and these play a significant role in the policy-making process. The constitution being the supreme law of the land also provides a broad framework for policy formulation. The Constitution of a land also prescribes the role of various state organs involved in policy formulation.

Apart from constitutional provisions and governmental organs, the policy formulation process also involves various non-governmental and extra-constitutional forces like political parties, pressure groups, mass media and international agencies. These forces influence the functioning of formal state institutions and thus influence the policy formulation process. However, the role of these non-governmental forces varies from society to society depending upon the character of the existing political regime in that society.

Political parties are the lifeblood of a political system as they help in articulating ideological positions and policy demands. Using various public and parliamentary forums to get the government to adopt certain policies, they initiate a process of opinion-formation
on various issues and merge the opinions into alternative policies. They also make a bid to implement their policies after capturing state power. In totalitarian regimes, the ruling party mobilizes the masses in support of its policies and ideological positions.

Pressure groups or interest groups are organizations with formal structures whose members share a common interest. By articulating-sectional interests they represent, these groups influence the policy-making process. They strive to influence the decisions of the government without attempting to occupy political offices. They exert pressure at different forums to influence the policy decisions, which serve their interest. To policy makers, the interest groups offer expertise and political support as well as the intensity of view of large number of citizens with some common interest. Because of their potential membership, their access to the different stages of the policy-making process and their possession of required resources, the government has to rely on pressure groups for the implementation of its policies.

The mass media play an important role in drawing government’s attention to particular or general area of concern. As an agent of social change, mass media induces changes in society by diffusing new ideas and practices among the members of society. The news and views expressed through mass media help the general masses to increase their level of awareness, which influence
their attitudes and perceptions towards the functioning of various organs of the government with tremendous implication for the policy formulation process. Further, the mass media interpret and systematize the information into a particular viewpoint, which helps in mobilizing public opinion. Hence mass media influence the policy formulation process by performing three types of role -- information dispensing, orientative and suggestive.

External pressures on sovereign states to formulate certain kinds of policies come from various international and trans-national agencies. The increasing globalization process and economic inter-linkages have compelled nation-states to approach various international and trans-national institutions for various kinds of assistance. Such things compel policy makers to formulate policies in consonance with the requirements of international and trans-national agencies.

Whatever the nature of the polity, the role and contribution of these non-governmental forces to the policy making process can not be minimized. Their involvement helps to build a consensus within the society on the ideology and policies of the ruling elite. They influence the official policy maker's perceptions of the needs of society and also the subsequent decision-making process. They are seen as the instruments of popular participation in the policy formulation process, thus providing legitimacy to the regime.
However, in actual practice, both government and non-government factors as well as institutions contribute towards the policy formulation process in their respective manners. Both work in close cooperation and compliment each other’s role in the policy formulation process. Policy analysts have developed various models of policy-making to explain the relative importance of these two sets of forces in the policy-making process.

**MODELS OF PUBLIC POLICY-MAKING**

Models are explanatory devices to understand the reality of the policy formulation process along with their causes and consequences. Even though they are not mutually exclusive, each of them has a distinct focus and each suggests specific things about public policy formulation.

1. **Institutionalism**

According to this model, public policies have their origin in government institutions that formulate and implement them.\(^5\) The institutional approach has been the traditionally accepted way of looking at the policy formulation process. It assumes that institutional arrangements have their impact on public policy. So structural changes in government are often attempted to bring

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about policy changes. A policy becomes public only when it is authoritatively determined by government institutions.\(^6\)

Involvement of government institutions lends legitimacy to policies. Also, policies assume universalistic character because of their government origin and are thus applicable to everybody in society.

Institutionalism with its focus on the legal and structural aspects of institutions attempts to study the relationship between public policy & governmental institutions. However this approach does not devote adequate attention to the linkages between government structures and the content of public policy. The linkage between government structures and policy outcomes has not remained static. Structural changes & institutional rearrangements may not always produce the desired consequences. Non-institutional forces may stand in the way of institutional functioning and can influence policy outcomes.

2. Group Theory

According to group theorists, public policy reflects the equilibrium reached in the group struggle at any given moment and it represents a balance which the contending factions and groups constantly strive to tilt in their favour.\(^7\) Various interests and


pressure groups, in order to maximise their specific interests, try to influence policy decisions within government institutions. Hence the actual policy-making tends to tilt towards the groups that are gaining in influence.

However, the approach is more appropriate to those pluralistic societies where every faction or group has an equal chance against others.

3. Rational Model:

According to this model rationality is considered to be the yardstick in policy-making. It emphasises policy-making as a choice among policy alternatives on rational grounds. In other words, rational policy making is to "choose the one best option which will be the most efficient one".\textsuperscript{8} Maximisation of net value achievement is the hallmark of rational policy. It means that in framing a policy all relevant values should be explicitly taken into account and the sacrifice of some values must be more than compensated by the attainment of some other values.\textsuperscript{9}

In the words of Herbert Simon, "Rationality is concerned with the selection of preferred behaviour alternatives in terms of some system of values whereby the consequences of behaviour can be

\textsuperscript{8} Y. Dror, \textit{op.cit.}, pp.132-141.
\textsuperscript{9} Thomas Dye, \textit{op.cit.}, p.21.
evaluated". According to Simon three kinds of activities are involved in a rational policy-making process. They are: intelligence activity which involves searching the situation calling for a decision: design activity which comprises of inventing, developing and analysing possible courses of action; and finally choice activity which involves selecting a particular choice activity which involves selecting a particular course of action from those available. Hence, in formulating a national policy the processes will be as follows:

1. All the societal values relevant for the policy in question should be identified and weightage should be given to each;

2. All the alternative courses of action should be considered:

3. All the consequences of each alternative course of action should be identified and evaluated;

4. Selection of one alternative, the probable consequences of which would be preferable in terms of the most valued ends.

Once a policy choice is implemented, the rational policy maker is required to monitor the implementation systematically to find out the accuracy of the exceptions and estimates. This may be called the feedback stage of rational policy-making.

11 Ibid., p.75.
However, rational decision-making suffers from many constraints. The prerequisites of rational policy-making are not easy to achieve in actual practice. There is little unanimity of views on societal values and giving weightage to any one set of views is not an easy exercise. There are several constraints in gathering the amount of information required to be aware of all possible policy alternatives and the consequences of each alternative including the time and cost involved in the information gathering. Fragmentation of authority, satisfying goals, conflicting values, limited technology, uncertainty about consequences, feasibility of implementation etc. are other factors that impede the process of making rational policies. That is why rationalists want policy analysts to broaden their use of extra-rational information including intuition and exceptional leadership with acute perceptions of social reality.\textsuperscript{12}

To sum-up, rational policy-making is more a desired thing than what actually happens in the government system. In reality, the process of policy-making is beset with many problems and pitfalls - institutional, personal, environmental and ethical. Yet this model remains crucial as it helps to identify the constraints to rationality.

\textsuperscript{12} Y. Dror. \textit{op.cit.}, pp.132-141.
4. Incrementalism:

This model acknowledges the practical difficulties in rational policy-making and draws attention to several genuine constraints of time, cost, intelligence and politics. According to this model, policy-makers always start with the accepted programmes and policies and then try to add new programmes and policies to the existing ones in an incremental manner. Here the past policies are virtually continued with certain modifications. The assumption here is that a historic chain of decisions exists which the policy-maker can use as a basis for making future choices.

Lindbolm has used two concepts - 'Marginal Incrementalism' and 'Partial mutual adjustment' - to explain the actual policy process in government. The first concept explains the limited and fairly conservative change of policy which is feasible in a specific situation while the second one underlines the importance of accommodation of divergent viewpoints and interests in a particular decision situation. Policy-making is looked at realistically as marginal and uncoordinated adjustments in situations of conflicting demands and interests and in face of unforeseen consequences of

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decisions. Hence it takes the character of 'disjointed Incrementalism'.

Lindbolm's Incrementalism model is diametrically opposite to the rationalist model of Simon & Dror. Dror points out that in facing new and challenging situations, no historical base exists for good policy-making. Again incremental changes in unsuccessful policies of past cannot produce significantly better results. Despite such criticisms, the incremental approach has been found in most cases to confirm to the reality of policy-making situations.

An intermediate model has been suggested by Amitai Etzioni, that combine the elements of both the 'rational-comprehensive model' and 'disjointed Incrementalism'. He has identified two kinds of decision processes involved in policy-making. They are (a) fundamental policy-making that sets basic directions and (b) allied incremental processes that prepare fundamental decisions and develop them further.

5. Systems Theory

This model conceives of public policy as an output of the political system. According to David Easton, the political system

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15 Dror, op.cit., pp.144-145.
stands for those distinctive structures and processes in a society those are oriented towards the authoritative allocation of values for the society. The political system is embedded in an 'environment' with which it is in constant interaction. 'Inputs' are received into the political system from the external environment in the form of demands and supports. Demands are the claims made on the political system by individuals and groups. Demands seek to activate the process of policy-making with a view to getting an authoritative decision. Supports are indicative of acceptance of public policies and they constitute the psychological and material resources of the system. The political system translates 'inputs' into 'outputs' through authoritative value allocations and these allocations constitute public policies. 17

In the systems model, the concept of 'feedback' indicates that public policies may have a modifying effect on the environment and the demands generated therein. It may also have an effect on the character of the political system. 'Feedback' plays an important role in generating suitable climates for future policy.

However, this input-output model appears to be too simplistic to serve as a useful aid in understanding the policy-making process. The missing ingredients in this model are the power,

personnel and institutions of policy-making which have considerable potential in influencing the environment within which they operate.

Policy-making processes in authoritarian communist regimes including China have always been explained under the 'Bureaucratic' or 'Organisational Politics' model. Sinologists have extensively applied this model in their effort to explain the policy-making process in China during the post 1949 period. According to this model, policy-making is dominated by the interactions among China's top leaders and highly competitive powerful ministries, bureau & territorial units. These bureaucracies including the Chinese Communist Party's central decision-making apparatus are portrayed as distinct political actors employing their own unique power bases to pursue their organisational "missions" or "ideologies". For these bureaucratic organisations, these missions or ideologies define the organisation's role in the system; the problems which organisations consider important; the preferred range of methods for dealing with those problems & the preferred range of procedures by which an organisation evaluates its success or failure. This model further assumes that when a policy proposal

is placed on the agenda, the substance of the proposal is a function of the 'missions' or ideologies of one or more of these bureaucratise agencies.\textsuperscript{19}

By focusing on the fragmentation of power & authority among the top leadership & its supposedly subordinate bureaucratic units, this model emphasises on the Party Centre's preference for bargaining, co-optation & consensus building rather than coercion in making & implementing policy. However, due to this heavy stress on bargaining & consensus-building, the bureaucratic model considers policy-making as a slow & cumbersome process. As policy differences are resolved though endless lobbying, negotiation, compromise, consultation, side-payment etc., incremental policy changes predominate and radical policy changes are rare and difficult.\textsuperscript{20}

Despite its many useful insights, this model does not provide an adequate description of the entire process of policy-making. One important shortcoming of this model is its core assumption that the key institutional actors are ministries, bureaus & units, which are more or less unitary actors with their own coherent cultures, goals & ideologies. Thus, it ignores the role of the People's Congresses & their deputies, Chinese intellectuals or think tanks and other

\textsuperscript{19} Ibid.,

\textsuperscript{20} See Leiberthal & Oksenberg, Policy-making in China, esp.chs 5-7.
emerging interest groups in Chinese society in initiating policy issues and their subsequent implementation. The adoption of various innovative & radical policy measures in contemporary China further limit the applicability of the bureaucratic model in explaining the policy-formulation process. Hence, the "bureaucratic" or "organisational politics" model must be supplemented with insights from non-incremental models of policy-making for a better understanding of the policy-making process in contemporary China.

Parris H. Chang depicts the Chinese policy-making process as a pluralistic one as it departs from a monolithic model in two ways. First, debates and conflicts among national leaders significantly influence policy formulation. Second, policy implementation is substantially affected by the actions of leaders and cadres at provincial and local levels.21 Chang has analysed five major policy areas in the Maoist period in detail to explain policy making in China as a complicated process of conflict-resolution and consensus-building where concentric circles of Chinese leaders are involved in policy disputes and decisions. Policy decisions in Mao's China have not always been confined to the Politburo of the Chinese Communist Party. In the case of policy conflicts, the level of participation has been widened to include Party leaders outside

21 Parris H. Chang, Power and Policy in China, Pennsylvania State University, 1975
the Politburo. Thus, despite his enormous influence over Chinese policy making process, Mao often went outside the Party structure to seek support for his policy measures. The mobilisation and involvement of local level cadres in the policy implementation process further expanded the level of participation in the policy making process. But, in the absence of suitable institutional mechanisms the pluralistic nature of Chinese policy making process has not manifested itself beyond Party forums.

Tang Diwang and Zhou Chao trace the long tradition of policy analysis in China as far back as 400 BC Policy analysis constitutes one of the major political processes in China as Chinese rulers have always paid special attention to policy formulation and execution. Similarly Chinese intelligentsia have also made notable contributions to policy formulation and evaluation. Historically officials in China have even risked their lives to submit policy proposals and suggestion to the rulers. Tang and Zhou further point out the centralised nature of Chinese government where policy decisions are mainly carried out within the government and in this process "congruence with the central authority" is always stressed. However, there are an increasing number of non-governmental advisory bodies & academic groups which have a substantial bearing on government policy making. Focusing on the infancy stage of policy science in China both the scholars have
suggested the improved management of five crucial relationships to raise the general standard of policy-making processes. These five relationships include: co-operative relations among the policy scientists, the policy makers and the administration; specialisation and co-ordination among policy science, politics and administration; relations between promotion of national culture and absorption of western models; relations between law and policy; and relations between policy science and the power of interference.\textsuperscript{22}

Shiping Zheng and Pei Minxin, in their respective works, have explored the Party-State relationship in post-1949 China and its impact on the Chinese political system. The Chinese Communist Party that had brought China out of its civil war has been considered by both as the biggest single obstacle to state building in contemporary China. In its quest for monopolistic power, they argue, the Party has systematically crushed, paralysed and bypassed existing state-institutions and thus stunted the state building process. Factors like the inability of the Party to provide moral guidance, organisational disintegration within the Party structure; increasing cadre corruption, etc. have resulted in institutional breakdown in China. However, during the Deng era the Party has facilitated the process of institution building although

in a very controlled manner continuing to maintain effective control. The Party-State relationship in China, therefore, has remained ill defined and conflict ridden. This 'failed institutionalism' has had an impact on the overall policy processes and policy outputs in contemporary China.23

Willy Wo-Lop Lam in, "The Era of Jiang Zemin" acknowledges the expansion of the legislative activities of the National People's Congress (NPC) in the post-Deng era. Focusing on the linkage between economic and legal reform, Lam conceives the emergence of the NPC as a counter-balance to the Chinese Communist Party and government in the arena of policy-making. Though Jiang Zemin's era has been depicted as a period of re-centralisation of powers in the Party leadership and revival of the rule of personality, the NPC's clout in policy-making arena has also been expanded with the appointment of influential leaders beginning with Peng Zhen and Wan Li in the 1980's and Qiao Shi in 1990 as Standing Committee Chairmen. Lam confirms the continuity of the process of strengthening the state institutions in the post-Deng era in order to rationalise the policy-making process.24

While policy analysis is China is pragmatic in orientation, research in theory, model building & process studies are inadequate. As a result policy analysis tends to adopt short-term perspectives. It was not until the mid-1980s that policy analysis was considered as a scientific discipline in China. After more than forty years under socialism, the Chinese people have come to realise that without policy science there will be no scientific policies. Therefore, in recent years prominence has been placed on policy science study with the aim of elevating policy making from a mere routine activity of government to setting criteria for scientific governance. Rationalisation and development of a scientific policy-making process in China can be achieved not only by learning from overseas development in policy science but also by drawing lessons from China's own experiences in policy making since 1949. This further requires an active promotion of academic inflow, in-depth study of policy formulation and objective assessment of the relations between theory and practice for establishing a policy science with Chinese characteristics.

Due to the kind of complexity and dynamism involved in the policy formulation process, no single model can explain it adequately. Analysing and explaining the policy formulation process in modern political societies requires a holistic approach in which the existing models of policy-making have to be integrated with
each other suitably to explain the complex phenomena of policy formulation process.

Contemporary China can be characterised as a regime where the level of popular participation is not broad enough at the base of the system and institutional arrangements for political participation have not been fully formalised. In such a regime the formal state institutions are believed to have a primary role in policy formulation. Hence, the institutional approach will be handy to begin the task of explaining public policy formulation in contemporary China. Under this model the role of formal state institutions like People's Congresses, the Chinese bureaucracy and the Chinese judiciary in formulating public policies will be studied.

However the post-Mao era has witnessed the emergence of various new social groups, factions and new constituencies of power outside the bureaucracy whose broad interests are inter-linked with various policy measures. The success of various public policies in contemporary China and their acceptability among the Chinese masses ensures some role for these non-governmental forces and factors in the policy-making process. Even though as a subsidiary to formal state institutions, they contribute valuable inputs into the policy-making process in the absence of formal mechanisms of popular participation. The emergence of various such non-governmental forces in contemporary China has further broadened
the spectrum of its policy-making mechanism. Ignoring the message of these non-governmental forces often leads to mass dissatisfaction, which may result in systemic collapse as happened in similar 'closed regimes'. Hence, any attempt towards the understanding of the policy formulation process in contemporary China must include an examination of the role of these non-formal forces and factors. This requires a blending of the group theory model and systems theory model as both the models focus heavily on the role of societal forces in policy-making process. Hence, an integrated approach will be crucial in order to understand the dynamics of policy-making process in contemporary China and the relative importance of formal state institutions and non-governmental forces in such a process.

After fifty years of revolutionary transformation and a generation of social and economic restructuring, the political institutions of the People's Republic of China have not shed their Leninist character. The existence of an independent media, pluralistic interests, autonomous trade unions and other such features of civil society have not been fully manifested themselves yet. The Chinese Communist Party still continues to enjoy a monopoly over power. But the environment within which the Party now operates has undergone fundamental changes, and the Party has successfully adapted itself to new situations and new
requirements. Broadly speaking, the regime has successfully handled the growing pluralism in the political sphere while maintaining the overall supremacy of the CCP. The regime has implemented various reforms to strengthen the legal-institutional forums of decision making while maintaining Party control over them indirectly. On the other hand, the reforms since 1980s have strengthened the country’s political institutions and have legitimized the ongoing institutionalization process. Institutionalization here means increased structural differentiation, more regularized decision-making processes and more state autonomy from society. Although there is disagreement on the content and pace of further institutional reforms, contemporary Chinese rulers with few exceptions acknowledge the necessity of these political reforms. Government decision-making is increasingly based on rational considerations as authorities struggle to develop the economy in a market. As there has been less adaptation in the links between state and society and increasing withdrawal of the Party from day-to-day administration, Chinese citizens are able to use formal state institutions such as people’s congresses to participate in policy formulation processes. Hence, China’s Leninist political institutions continue to be relevant and useful, and citizens have been able to make them work. However, further reform of the institutions is required to maintain the stability of the system and to fulfill the long-term goal of constructing a ‘socialist democracy’.