Matching Policy Tools & Their Targets: Beyond Nudges and Utility Maximization in Policy Design

Michael Howlett
Lee Kuan Yew School of Public Policy
National University of Singapore
And
Department of Political Science
Simon Fraser University

Howlett@sfu.ca

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Abstract

Studies of policy tools traditionally have focused on the effective use of governing resources to attain policy ends, without devoting a great deal of attention to the behavioural characteristics of the objects of policy interventions. These “policy targets” are often assumed to act as simple rational utility maximizers susceptible to shifts in apparent gains and losses linked to policy incentives and disincentives. Although this is beginning to change with recent work examining policy ‘nudges’ and the effects of co-production and social marketing efforts which both suggest or are based on alternative logics of target behaviour, analysis of policy targets still all too often retains a crude concept of the subject inspired by utilitarianism and related assumptions about self-maximizing activity on the part of citizens. This thinking has led to many considerations of policy design focusing on the calibrations of policy tools – such as the relative size of penalties or rewards - rather than upon the nature of the tools themselves and whether the appropriate type or mix of tools is being used to match the nature of compliance and co-operation required or demanded by a design situation. This paper reviews the literature on the subjects of compliance and policy tools, proposing a new research and practice agenda focused on better understanding and matching tool resources to target behaviour.

Introduction: The Utilitarian Roots of Much Policy Design Thinking

Policy tools have targets (Weaver 2009a; 2009b; 2010). That is, not just ‘targets’ in the sense of policy aims and goals and their measures but ‘targets’ in the sense of individuals and groups whose behaviour is expected to be affected by policy activity.¹ Tools and targets are linked in the sense that policy tool use involves implicit or explicit assumptions and expectations about the effect tool deployment has upon those impacted by it. It is critically important for policy-making that the behaviour resulting from tool use in practice actually matches that anticipated in the pre-deployment or formulation period (May 2004; Kaine et al 2010; Duesberg et al 2014). Regardless of whether those targets are purely social constructions with few empirical referents (Schneider and Ingram 1993 and 2005) or if they reflect more objective assessment of the actual behaviour of relevant groups of policy actors, it is critical for efficient and effective policy-making that tools match targets and vice versa.

There is thus a significant behavioural component to policy design, tool use and choice which is critical to policy success and failure (Weaver 2009b; Lynn 1986; Schneider and Ingram 1990). However, despite the fact that ‘compliance’ with government intentions has been a significant issue in areas such as regulatory studies for many years (Feeley 1970; Etienne
2011; Meier and Morgan 1992; Rodgers 1975; Mulford and Etzioni 1978), this aspect of policy design has only rarely been systematically examined (Grabosky 1995; Weaver 2009a, 2009b, 2013, 2015; Winter and May 2001; Neilson and Parker 2012). Moreover, it has only rarely been related to the effective use of particular kinds of policy instruments (Duesberg 2014; Corner and Randall 2011) and to decisions to use one, or more, of some particular type rather than another (Taylor et al 2013).

Instead, studies of policy designing, and many designs themselves, have often been developed with only the most rudimentary and cursory knowledge of how those expected to be affected by the policy are likely to react to it (Lewis 2007; Corner and Randall 2011; Taylor et al 2013; Duesberg 2014). This tendency has changed somewhat in recent years as scholars and practitioners alike, influenced by behavioural economics, have come to appreciate that members of the public and other policy actors often predictably behave in less than perfectly rational ways (Ariely 2010; Thaler et al 2010; Thaler and Sunstein 2009, Mulgan 2008, Bason 2014), it is nevertheless often still just simply assumed that policy targets are rational self-maximizers, calculating their best interests hedonically in deciding whether or not to comply with the demands of government instruments and mechanisms such as regulation, laws and subsidies (Stover and Brown 1975; Gebrek and Uyduranoglu 2015; Weaver 2014; Jones et al 2014; Duesberg 2014; Araral 2014; Maskin 2008). Hence much work in this area is often focused around the idea of ‘getting incentives right’ or calibrating incentives and disincentives, often financial, to achieve expected levels of compliance and outcomes rather than upon examining other, more normative or culturally-determined aspects of target behaviour.

Rethinking Policy Tool Use: Compliance and Its Vicissitudes

Weaver (2009b p. 5) has recently enumerated some of the various ‘compliance problems’ or ‘barriers’ to compliance which targets and governments face. These include:
• **Incentive and sanction problems** where positive and or negative incentives are insufficient to ensure compliance

• **Monitoring problems** where target compliance may be difficult or costly to monitor

• **Resource problems** where targets lack the resources to comply even if they want to

• **Autonomy problems** where targets do not have the power to make decisions that comply with policy even if they want to

• **Information problems** where targets lack information that would make compliance more likely, and

• **Attitude and objectives problems** where targets are hostile/mistrustful towards providers or programs.

These problems should be the subject of investigation and action as what is needed are effective policy designs that overcome these problems. This requires more systematic analysis and understanding of the motivations of policy targets which would allow better matching of tools and targets right at the outset of policy-making, rather than relying upon suspect utilitarian conceptions of the behaviour which lies behind policy compliance and non-compliance (Weaver 2009a and 2009b; Braithwaite 2003; Schneider and Sidney 2009; Chatterton and Wilson 2013; Pierce et al 2014).

Towards this end, this paper reviews the literature on the subjects of policy targets and policy tools and proposes a new research, and practice, agenda focused on better matching tools and targets in ‘compliance regimes’ designed to overcome problems with traditional utilitarian thinking around the subject.

**Beyond Compliance-Deterrence Logics: Contemporary Challenges to the Utilitarian Foundations of Policy Design**

The immediate aim of most public policy is to invoke behavioural change in the ‘targets’ of government efforts needed for compliance with government aims. This is done in order to secure better compliance or adherence of populations to government aims and ambitions be it
in the promotion of public safety and security or in the provision of effective healthcare and social welfare. Compliant target behaviour is expected to be achieved through deployment of governing resources in the form of specific combinations of substantive and procedural policy tool aimed at specific kinds of behaviour (Anderson 1977; Baldwin 1985). Desired changes can be large or small, and the expectation of compliance can be rapid or gradual. But in all cases some changes in behaviour in a direction congruent with government aims is expected from the utilization of state resources.

If perfect compliance of targets with governments aims existed automatically, of course, there would be little purpose in undertaking state activity beyond providing targets with information about government goals and expected corresponding behaviour, which would then simply occur. Why such compliance is not always forthcoming is thus a key question in the policy sciences for some time, related to better understanding the conditions of policy success and failure and the kinds of designs and activities more likely to attain success with minimal effort and expenditure (Feeley 1970, Mulford and Etzioni 1978). The subject, however, is one which has often been examined only in a very cursory fashion and under the burden of many, mainly economistic, assumptions about the motivations and behaviour of policy targets (Stover and Brown 1975).

This utilitarian way of thinking about public policy compliance and policy implementation is generally congruent with the orientation towards policy-making in general which has been generally pervasive in the policy sciences from the very founding of the discipline (Tribe 1972; Banfield 1977). It continues to dominate even more nuanced recent thinking about tool use linked to notions of policy “nudging” which has otherwise led the questioning concerning the relevance of many traditional utilitarian concepts such as perfect information and reciprocal risk and benefit valuations in policy analysis and design activities (Oliver 2015; Legett 2014; Room 2013; John et al 2009). Although this latter work disputes
the idea of the presence of ‘perfect rationality’ among policy targets which often colours economistic analyses, it still accepts uncritically most of the hedonic assumptions of classic utilitarian thinking: that ‘subjects’ are motivated to promote pleasure and avoid pain and do so in an essentially calculating “cost-benefit” fashion when confronted by the choice of whether or not to comply with government measures (Steg et al 2014). Legitimate taxes and rules were often simply expected to be paid and obeyed by the majority of citizens and targets, with penalties and fines established to punish non-compliance in such a way as to ‘deter’ a minority of non-compliers and the spread of unwanted and illegitimate behaviour to the majority (Doern and Phidd 1983). Utility calculations could then be extended to the calculation of the calibration of penalties, with these set at such a level as to punish those who might contest the legitimacy of such actions or seek to free-ride on compliers (Lowi 1966; Balch 1980).

In practice, however, the compliance of policy targets with government intentions was recognized as a more complex problem (Meier and Morgan 1982). Empirical studies of the degree of compliance of targets with the exercise of coercive authority on the part of governments in the form of the creation and imposition of tools and instruments such as laws, regulations and taxes, found this as one which involved both a normative component as well as a utilitarian one (May 2004). That is, government efforts such as raising tax revenues or enforcing regulations was often found to be a kind of private-public collective action problem in which actions taken by governments on the part of the general public such as levying taxes to pay for services required a belief on the part of targets that the use of coercion to set and collect such taxes was legitimate and that it was in the self-interest of targets to pay them (Hofman et al 2014) or that persuasion and education, for example, could provide superior results to fines and penalties in changing behaviour in areas such as farming practices and others (May and Winter 1999).
As this shows the compliance situation is more complex than a purely utilitarian perspective focused on deterrence would have it. In most circumstances governments must determine whether or not a target is likely to comply with government actions and intentions and whether any compliance is reluctant or freely given (Scholz 1991). That is, even the most basic activities of governance such as collecting taxes and ensuring laws and rules are obeyed involves not just individual hedonic behaviour but also considerations on the part of targets and the public of issues such as the legality and normative “appropriateness” of government’s levying and collecting such taxes or passing and enforcing such rules (March and Olsen 1989). Moreover, different kinds of target groups and individuals exist or are perceived to exist in terms of government expectations of the nature of the compliant or non-compliant behaviour and can and are treated differently by governments. And, of course, governments have more tools at their disposal than just authority-based ones and thus have a range of options available both to implement policy and promote compliance, including those linked to education and persuasion of targets in addition to the exercise of coercion (Hawkins and Thomas 1989; Hood 1986).

That is, targets can be influenced to behave ‘appropriately’ and comply with government wishes through many means in addition to fines and penalties such as financial incentives as well as efforts at moral suasion and education which governments may have in higher or lower levels of supply (McLeod et al 2015; Hood 1983). And these compliance situations are made even more complex by the fact that different targets have different resources and capabilities and attitudes when it comes to determining whether or not they will comply and how, and to what extent they will not. These attitudes and behaviours can be quite complex and rooted in historical and culturally-specific views of government intentions and the moral and other aspects of the appropriateness of compliant and non-compliant behaviour (Wan et al 2014 and 2015). These can include, for example, considerations of the legitimacy
and illegitimacy of government actors and actions in specific fields such as constitutional, religious or privacy-related ones but can also run into and involve the desires on the part of individuals and groups to earn praise or avoid shame or to avoid guilt and social opprobrium for their actions among others (Cialdini and Goldstein 2004; Beetham 1991, Weber 1978; Hofmann et al 2014).

Re-Conceptualizing Target Behaviour and Policy Design Imperatives

This variation in target structure, motivation and compliance behaviour makes policy design a much more challenging activity than a simple hedonic utilitarian perspective would have it. It is an even more complex situation than behavioural economics would have it as even behaviourally-inspired ‘rules’ of semi-rational economic calculations are not enough to capture all the considerations of cultural and psychological appropriateness cited above (Knetsch 2011; Koh 2011). Understanding whether a proposed action is likely to trigger behavior linked to ‘affiliation’ or ‘conformity’ with government wishes or results in various kinds of non-compliance from outright disobedience to ‘boomerang’ effects encouraging the action they are aimed at discouraging, or vice versa, is critical (Cialdini and Goldstein 2004; Cialdini et al 2006) but not well understood. Hence, for example Kallgren et al (2000) and de Groot and Schuitema (2012) note the manner in which norm compliance can be affected by the type of ‘message’ sent urging compliance and its negative or positive nature, as well as other factors linked to the character of the underlying norm itself, are critically important facets of policy design which are only vaguely understood and little studied (see also Schultz et al 2007).

Nevertheless, despite this evidence and concerns, the utilitarian viewpoint has only been seriously challenged in the policy sciences in relatively few instances where it has been undeniably apparent that target behaviour is motivated by other considerations than utility. This is the case, for example, when logics of appropriateness clearly dominate over those of calculation in displays of patriotism or religiously-inspired altruistic or resistant activity to, for
example, war and military service (March and Olson 1989 and 2004; Tyler 1990 and 2013). Or when the continuance of clearly self-destructive behaviour such as drug, alcohol or smoking addictions despite prohibitions up to an including death penalties and long prison sentences prove difficult to explain, let alone correct, using a purely utilitarian framework (Vimpani 2005; McGoldrick and Boonn 2010).

Empirically, however, holding such a position has become increasingly difficult. Consideration and plans for “nudging” and other aspects of the application of the findings of behavioural economics and behavioural psychology to policy-making in recent years have served to undermine the utilitarian paradigm and bring a new non-utilitarian focus to contemporary policy studies (Thaler and Sunstein 2009). The same is true of the recent employment of policy tools such as co-production or faith-based public service delivery (Alford 1998; Hula et al 2007; Kissane 2007; Zehavi 2008) and, to a lesser extent, in areas affected by ‘social marketing’ efforts (Pykett et al 2014), which have also undermined confidence in the ability of utilitarian models to capture critical aspects of target behaviour responsible for participation in, and compliance with, government schemes and intentions, and have led to more efforts to better understand these phenomena. This is the case, for example, with efforts to use information-based tools or moral suasion to try to convince citizens to do their duty and refrain from, for instance, littering (Grasmick et al 2001; John 2013); or to ‘do the right thing’, in giving up their seats on public transportation to pregnant women, the disabled, the elderly and others less fortunate than themselves; or pay their taxes (Stanbury and Fulton 1985; Bardach 1989; Torgler 2004; Corner and Randall 2011).

Such approaches have been especially significant in some jurisdictions in recent years, often displacing the deployment of regulation and financial incentives, such as the emphasis on behavioural modification through social marketing and ‘nudges’ developed by the Blair government in the UK after 2008 (Chatterton and Wilson 2014; Lourenco et al 2016).
analyses of these tools, however, often try to link their success and failure to issues such as ‘ability’ or ‘capacity to comply’ which reintroduces the idea of utilitarianism albeit in modified form as capability deficits are said to prevent more straightforward hedonic compliance situations from emerging (Winter and May 2001; Corner and Randall 2011; Chatterton and Wilson 2014; McLeod et al 2015).

Notwithstanding this latter concern, however, this recent activity on the part of many governments experimenting with new tools and techniques (Laurenco 2016; Jordan et al 2003) raises many questions about the accuracy of the assumptions of self-interested utility maximization that underlie many existing and proposed policy designs and which have dominated the academic discourse on these subjects (DiMento 1989; Kahneman 1994; Jones et al 2011).

**Better Understanding Compliance: Linking Policy Target Behaviour and Resource-Based Taxonomies of Policy Instruments**

If target behaviour is not utilitarian, though, then what is it and how can it best be anticipated and linked in policy designs to the efficient and effective attainment of government goals?

This is not a trivial issue in policy theory and practice. Is it the best way to encourage and increase in birthrates, for example, to provide subsides which might tip the balance of a woman’s or family’s calculations of affordability of children? Or is it more effective to promote family-centred events and activities in public service announcements and movie and television and other entertainment placements which promote the notion of home life and the pleasures of children and family (Lichtenstein and Slovic 2008)? Or both? Policy tool considerations built around the first orientation can involve debates and discussions around particular kinds of financial tools such as providing more widely distributed and available subsidized daycare and better local schools rather than around how much of a direct subsidy to a parent through
the use of tax incentives or cash grants will promote higher levels of childbirth and larger families (Woodside 1979). The second may involve activities such as movie theatre and TV public service advertisements and educational programmes in schools and elsewhere rather than the actual provision of new services or subsidies. And whether both work in conjunction with each other or at cross purposes is unknown.

Hence this is more than just a scholarly preoccupation with motivational assumptions, as policy design should not be limited by, or focus upon, unproven behavioural presuppositions which might artificially restrict consideration of what could prove to be very effective policy instruments in dealing with complex problems (Chatterton and Wilson 2013). Consideration of tools which rely on an entirely different set of information- or organization-based resources and behavioural motivations for their effectiveness, along with a very different way of thinking about policy target compliance than typically found in discussions of the use of financial or authority-based ones, is in order in a non-utilitarian policy design world (Hood 1986).

Changing Conceptions of the Nature of the Policy Tools-Compliance Relationship

This is not to say that work done to date on target motivations and policy implementation is not useful or cannot help to develop a better understanding of policy instrument design and choice. Rather it is to argue that what is needed in the policy formulation, design and implementation processes is a better, more systematic and empirically robust and supportable linkage of the expected behaviour of policy targets to the full range of policy tools available.

Interestingly, these considerations of the overall nature of policy target characteristics and behaviour was very germane to early studies of policy interventions and their effects, both in design and implementation activities, but receded from view in the 1990s. Early students of policy-making like Dahl and Lindblom, Edelman, Lowi and others, for example, had very flexible notions of the multiple means by which governments can affect, or give effect to,
policy and of the reasons why different kinds of tools were effective (Dahl and Lindblom 1953; Kirschen et al 1964; Edelman 1964; Lowi 1966).

Thus in his pathbreaking early works on public policy-making, for example, Harold Lasswell (1954), a political psychologist by training, conceived of the main instruments of politics as involving, among other things, the manipulation of symbols, signs and icons which rely on individual’s affections and loyalties to particular ideas and actors in addition to financial and other kinds of incentives and disincentives subject to more utilitarian calculations. Lasswell noted the extent to which governments could affect every aspect of policy-making through such manipulations and argued that a principal task of the policy sciences must be to understand the nuances of these actions and their effects (Lasswell 1954 and 1971; Doern and Phidd 1988; Doern and Wilson 1974). By the early 1980s, under the urgings of Lester Salamon and others, attention again began to be focused on more precisely categorizing policy instruments in order to better analyze the reasons for their use (Salamon 1981 and 1989). Careful examination of instruments and instrument choices, it was argued, would not only lead to considerable insight into the factors driving the policy process and the characterization of long-term patterns of public policy-making, but would also allow practitioners to more readily draw lessons from the experiences of others with the use and effects of particular techniques in specific circumstances (Woodside 1986).

Also in the 1980s, however, Lasswell’s admonition to include a wide-ranging set of factors in the examination of underlying policy tool compliance and effectiveness began to be replaced by a single focus on ‘rational’ or utilitarian rationales for policy choices of all kinds. Many studies of policy instruments, heavily influenced by economists, for example, assumed both decision-makers and policy targets were motivated exclusively by relatively narrow utilitarian self-interest maximization (Stokey and Zeckhauser 1978; Trebilcock and Hartle 1982; Dewees 1983). Other studies often reflected this view in part because they followed the
lead of economists in focussing on the use of economic tools such as regulation, public enterprises, or subsidies which more or less directly affected the type, quantity, price or other characteristic of goods and services being produced in industrial and environmental policy spheres, which could in fact be analyzed in largely economistic terms (Salamon 1989; Bemelmans-Videc 1998; Peters and van Nispen 1998). Policy designs in new areas such as environmental policy-making reflected this economistic orientation with policy initiatives in areas such as pollution prevention and professional regulation assuming a distinctly utilitarian bent in so doing (Hippes 1988; Trebilcock 1983).

While this approach was dominant in the 1990s and 2000’s, the need to move beyond pure utilitarianism, or rather to return to a suppler earlier notions of target behaviour, however, became apparent in recent years as governments around the globe moved to pursue new kinds of policy mixes to address continuing problems such as those enumerated above: entrenched poverty, homelessness, drug addiction, crime and many others which eschewed rapid resolution. An important development during this era was related to the findings of behavioural economics, for example, with the expectation that the insights generated by behavioural economists will lead to better outcomes: that is, to more compliance and behavior change congruent to government wishes (Selinger and Whyte 2012; Liu et al 2014). This approach promoted the design and adoption of tools linked to modest behavioural modification through the provision of ‘nudges’ or subliminal and other types of cues and decision frames or ‘choice architectures’ (Thaler et al 2010; Liu et al 2014; Lehner et al 2016). Other governments similarly devoted much time and energy to ‘social marketing’ or the use of enhanced appeals to collective identities and social mores (such as altruistic or non-altruistic corporate social responsibility (CSR) voluntary codes) with the same expectation that increased and improved compliance could be achieved at modest or less cost using different instruments from, for
example, traditional command and control regulation (6 et al 2010; John 2013; Dolan et al 2014; Tallontire 2007; Steurer 2010; Campbell 2012).

Both these efforts, and others cast doubt on orthodox views of compliance and the motivations of target behaviour. Poor experiences with even these alternative tools, however, has also prompted a re-thinking of the relationship between policy tools and behaviour and the need for better and more evidence-informed design (Howlett and Lejano 2013; Moseley and Stoker 2013).

**Compliance Revisited: Demand and Supply Considerations in Effective Policy Tool Use**

Some congruence between tool characteristics and target behaviour must exist in order for there to be any impact at all from the deployment of governing tools. Taxonomies of policy tools generated in earlier eras (Tupper and Doern 1981; Hood 1986; Vedung 1987; Howlett 1991) can help shed some light on this relationship by clarifying the nature of the governing or ‘statecraft’ resources employed by different types of tools in their deployment and why such tools would be expected to lead to high levels of compliance (Hood 1995; Hood 1991; Dunleavy and Hood 1994; Riker 1983 and 1986; Dunsire 1983; Salamon 2002).

Hood (1986), following Anderson (1977), for example, grouped tools into a small number of categories according to whether they rely upon the use of "nodality" (or information), authority, treasure or the organizational resources of government for their effectiveness (see Figure 1). The overall range of policy tools available to governments includes both the ‘substantive’ ones traditionally examined by economists as well as a range of less economically-oriented ‘procedural’ ones (Howlett 2000) which can be used to affect interest groups and other actor behaviour. This occurs, for example, in the use of information-based procedural instruments which can both facilitate the provision of information as well as suppress it, and can involve the release of misleading as well as accurate information (Mueller 1973; Saward 1992).
Hood’s idea was that each basic category of tool relied upon a particular different kind of governing resource and that one of the main reasons one tool would be chosen over another was supply-oriented: that is, that government’s would utilize tools deploying resources it had in ample supply or which could be easily replenished (Hood 1983).

**Figure 1 - A Resource-Based Taxonomy of Procedural and Substantive Policy Instruments**

*Cells provide examples of instruments in each category*

<table>
<thead>
<tr>
<th>Purpose of Tool</th>
<th>Substantive</th>
<th>Procedural</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Information</strong></td>
<td>Public Information Campaign</td>
<td>Official Secrets Acts</td>
</tr>
<tr>
<td><strong>Authority</strong></td>
<td>Independent Regulatory Agencies</td>
<td>Administrative Advisory Committees</td>
</tr>
<tr>
<td><strong>Treasure</strong></td>
<td>Subsidies and Grants</td>
<td>Interest Group funding</td>
</tr>
<tr>
<td><strong>Organization</strong></td>
<td>Public Enterprises</td>
<td>Government Re-organizations</td>
</tr>
</tbody>
</table>

Source: Adapted from Howlett (2000)

However, ‘demand-side’ considerations are also very significant here. That is, in general, each category of tool involves the use of a specific governing resource which is expected to trigger or lever a specific characteristic or target receptor. Thus the effectiveness of the deployment of such resources is linked both to resource availability – a precondition of their use – and to the existence of different ‘receptors’ on the part of policy targets which make them receptive to the use of this resource when deployed. In the case of information use, for example, this tool’ effectiveness relies both on the availability of knowledge and the means to distribute it and also on the target’s belief in the accuracy of the messages being purveyed, or their *credibility*. Similarly, the effectiveness of the use of authoritative tools, as discussed above, depends on target perceptions of government *legitimacy*; the effective use of treasure resources on target group financial need and receptivity to government funding or their
cupidity; and the effective use of organizational tools upon target group perceptions of government competence and fairness in the deployment and training of personnel to provide services and rules. Figure 2 presents a model of the behavioural pre-requisites which governing tools rely upon for the effect.

**Figure 2 – Behavioural Needs for Resource Effectiveness**

<table>
<thead>
<tr>
<th>Tool Type</th>
<th>Statecraft Applied</th>
<th>Resource</th>
<th>Target Behavioural Pre-Requisite</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nodality</td>
<td>Information</td>
<td></td>
<td>Credibility/Trust – willingness to believe and act on information provided by government</td>
</tr>
<tr>
<td>Authority</td>
<td>Coercive Power/Force</td>
<td></td>
<td>Legitimacy – willingness to be manipulated by government invoked penalties and proscriptions</td>
</tr>
<tr>
<td>Treasure</td>
<td>Financial</td>
<td></td>
<td>Cupidity – willingness to be manipulated by gain/losses imposed by governments</td>
</tr>
<tr>
<td>Organization</td>
<td>Organization</td>
<td></td>
<td>Competence – willingness to receive goods and services from government and enter into partnership arrangements</td>
</tr>
</tbody>
</table>

Source: Howlett 2011

That is, very different and distinct behavioural patterns and motivations underlie the effectiveness of each category of tool and governing resource, most of which are not susceptible to utilitarian calculations on the part of targets. The use of authority based tools such as laws and regulations, for example, involves considerations of legitimacy on the part of targets and must not over-reach or over-burden the extent of legitimacy which a government enjoys (Suchman 1995; Hanberger 2003). If a policy measure does so it most assuredly will require much monitoring and enforcement activity in order to be even minimally effective, involving administrative costs and burdens which may well undermine its own efficiency and effectiveness, as has occurred in the past in many countries in areas such as marijuana or alcohol prohibitions (Issalys 2005).
The same non-utilitarian behavioural logic extends to the use of taxes and subsidies, although the behavioural characteristics of treasure-based policy tools is not the same as for authority-based ones. That is, such tools achieve their ends not through a legitimacy-coercion matrix of encouragement and deterrence but through the willingness of subjects to be manipulated, more or less voluntarily, by financial incentives and disincentives (Surrey 1970; Woodside 1979). These tools, that is, rely on the “cupidity” of their targets and again will only be as effective as those targets are willing to accept financial awards or penalties from governments and alter their behaviour accordingly (Braithwaite 2013). Calibrations of the settings of such tools are often claimed to be undertaken on a purely utilitarian basis but the extent of cupidity or greed on the part of policy targets varies dramatically by group and subject matter as governments discover whenever they attempt, for example, to discourage cigarette and tobacco or obesity by discouraging consumption through raising excise taxes on harmful products, while reducing them on others (Gulberg and Skodvin 2011; Coffman 2016). Such actions may work in some cases and products or among some groups, like the elderly in the case of tobacco control, but fail in others, such as young women and younger people in general (Studlar 2002).

This is also true of the use and effectiveness of the deployment of information. As the poor experiences of the application of some of the insights of behavioural economics and psychology to policy-making in the form of ‘nudges’ or informational cues shows, consideration by targets of the credibility of messages sent and received and the willingness of targets to trust their contents and promises is critical to what type and extent of behavioural response will ensue (Weiss and Tschirhart 1994). This is true of many different public information and marketing campaigns in areas of obesity and the ingestion of dangerous products which utilize this resource, for example (Kersh 2015; Barreiro-Hurle 2010; Padberg 1992). Again, this involves a subtle effort to match resource expenditure and target behaviour
as do both the authority-coercion or financial incentive-based efforts cited above, but based upon a different compliance logic. Although some treatments of these information tools still base their analysis on behavioural assumptions in which manipulation is expected sometimes to follow government cues unthinkingly (“nudges”), this under-estimates the impact of trust and credibility of the information sent and received and “libertarian paternalism” (Sunstein 2015) may well undermine these efforts at persuasion by leading to a general distrust of government (Jones et al 2013; Wilkinson 2012; Mols et al 2015; Galizzi 2014; Momsen and Stoerk 2014; Carter 2015). Efforts at “social marketing” discussed above also feature the use of informational or “nodality” tools (Hood 1986), ones that appeal directly to sentiments of collective solidarity and moral duty of citizens and groups which invoke values well beyond those related to individual utility calculations (Corner and Randall 2011).

These efforts at ‘co-production’ and co-design or co-management also often aim at re-designing service delivery through various forms of partnerships in which some division of labour emerges between state and non-state actors (Pestoff et al 2006; Voorberg 2014; Alford 1998; Braithwaite and Levi 2003). These forms of service delivery are organizational tools, which utilize state personnel and organizational resources to directly or indirectly deliver goods and services. But, again, willingness of targets to partner in these activities, as in the case of more traditional exclusively government-based ones, requires targets to assess the competence of government agents to deliver or plan such services in a timely and appropriate way.

**Better Linking Tools and Targets: Dealing with Multiple Targets and Socially Constructed Target Groups**

The fundamental design problem for government’s then, is not just determining a given governmental resource endowment and calculating the range of prison sentences or the amount of fines and subsidies to levy in some situation based on a utilitarian compliance-deterrence logic, but rather to understand on which basis compliance is likely to occur or not: that is to
what extent a government enjoys legitimacy, credibility, competence and cupidity among target groups. This is a design challenge which requires detailed empirical investigation and analysis in each case of tool deployment, and continued monitoring over time to ensure these fundamental conditions have not changed or been undermined by any action undertaken. Governments enjoying a high level of trust, for example, may be able to undertake actions through moral suasion while government’s which do not enjoy that credibility will need to employ other tools. But whether or not this high level of trust is being maintained is a key determinant of policy effectiveness and continual monitoring and assessment is required to ensure this remain the case and that existing tools continue to function effectively over time.

Two aspects of policy-making add complications to this situation and require additional measures to deal with. These are the fact that many situations involve multiple tools or policy mixes (Howlett 2014; Howlett and del Rio 2015) and that images of policy targets are often socially constructed in such a way that they contain prejudices and biases about individual and group behaviour which interfere with their true representation (Schneider and Ingram 1990a; 1997).

Dealing with Policy Mixes and Multiple Targets

Policy targets come in all shapes and flavors, however, from individuals with certain kinds of characteristics to organizations of various shapes and sizes, histories, backgrounds and memberships. The preferences of such targets are always an issue (Lichtenstein and Slovia 2007; Unsworth and Fielding 2014) and cannot simply be assumed away through the use of policy models containing implicit assumptions about the utilitarian nature of policy target behaviour and compliance (Meier and Morgan 1982).

Moreover, in all but the simplest situations governments are often faced with complex environments in which they encounter not just one but multiple actors and groups as ‘targets’. What works with one group or section of a group may not work with another, and it is not
unusual for a range of governing resources and tools to have to be deployed in order to deal with such complex, ‘target-rich’ environments (Reichardt et al 2016).

Moreover, these policy mixes or bundles of policy instruments typically involve not only a number of targets and tools but also a range of motivations across a range of tools. This makes the assessment of the motivational structure of a policy realm more complex and difficult. It also suggests that rather than think about compliance in the context of single target-single instrument dynamics, policy design should centre on multiple target – multiple instrument ones.

When designing for high levels of compliance in such situations the appropriate responses of governments is to create a “compliance regime” involving a mix of tools and elements. A basic regime of this kind includes such traditional utilitarian components such as:

- Providing positive incentives for compliance;
- Having negative incentives for non-compliance; and
- Providing prohibitions and requirements with punishments attached

But it should also would include less utilitarian ones as:

- Providing information about what behavior is compliant, how to comply and the advantages of compliance;
- Providing admonitions to comply on moral, self-interested or other grounds as well as utilitarian ones;
- Providing resources to comply which may be targeted to those who would otherwise lack those resources;
- Manipulating options and defaults (choice architecture) without substantially affecting the payoff to individuals of so doing (Weaver 2015 p. 6)
Dealing with Socially Constructed Target Group Identities

A second concern revolves around the accuracy of depictions and estimates made of target motivations and behaviour. In general, the logic of target behaviour allows governments to classify targets according to their likelihood of complying with governments aims and desires. Hence, for example, healthcare clients and citizens facing obesity challenges may be young or old, share some ethnic or racial characteristics, be segmented by gender and in other ways, and come to a policy situation with a range of understanding of obesity science and views about food and its preparation and intake and some of these distinctions may be important in affecting compliance while others may not be, or may be less significant.

Figure 3 shows how estimations and diagnoses about likely compliance behaviour can usefully be linked to the general use of specific kinds of governing instruments involved in coercive vs persuasive actions on the part of governments (Hawkins and Thomas 1989)

Figure 3 – Nature of Compliance of Policy Targets

<table>
<thead>
<tr>
<th>Willingness to Comply</th>
<th>Likelihood of Compliance</th>
<th>Likely Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Model Subjects</td>
<td>Require little coercion, education, or persuasion</td>
</tr>
<tr>
<td>Low</td>
<td>Reluctant Subjects</td>
<td>Require education and persuasion</td>
</tr>
<tr>
<td></td>
<td>Resistant Subjects</td>
<td>Require incentives to comply</td>
</tr>
<tr>
<td></td>
<td>Combative Subjects</td>
<td>Require a high level of coercion and monitoring to compel compliance</td>
</tr>
</tbody>
</table>

Modelled after Scholz 1991

As Weaver (2009a and 2009b; 2014) has pointed out, this generates a spectrum of potential compliers and non-compliers with compliance regimes having to deal with a variety of actors and behaviours ranging from unwilling ones to voluntary or willing compliers.

Governments need to know which specific kinds of actors fall into which type (Braithwaite 2003) in order to accurately design their policies and how governments perceive these targets and classify groups within them is thus a critical aspect of policy design. However,
as Schneider and Ingram (1993, 1997 and 2005) have repeatedly pointed out, there are often limits placed before government’s abilities to discern the true nature of these relationships.

That is, as Schneider and Ingram have noted, the expected behaviour of policy targets is often framed by government agencies using the dual aspects of ‘positive’ or ‘negative’ stereotypes and whether they are powerful or weak actors in society. Social constructions of target populations may stereotype particular groups using tropes which have been created by politics, culture, socialization, history, the media, literature, religion, and the like. In practice, the types of tools used to address problems involving these groups often varies directly according to their categorization; with positively viewed targets receiving benefits and negatively viewed ones ‘burdened’ by costs.

Positive constructions include images such as “deserving”, “intelligent”, “honest”, “public spirited” and so forth. Negative constructions include images such as “undeserving”, “stupid”, "dishonest” and “selfish”. More coercive measures are often used against groups perceived as “deviants” rather than against other groups who might actually be more resistant to government initiatives, while tools such as subsidies and other kinds of payments might be most effective if used in dealing with “dependents” but are often given instead to advantaged groups (Schneider and Ingram 1993 p. 337) (see Figure 4).

**Figure 4 – Perceptions of Policy Targets after Schneider and Ingram (1993)**

<table>
<thead>
<tr>
<th>Conception of Power</th>
<th>Conception of Social Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong/Powerful</td>
<td>Positive</td>
</tr>
<tr>
<td></td>
<td><em>Advantaged</em> Subsidies and Incentives</td>
</tr>
<tr>
<td></td>
<td>Negative</td>
</tr>
<tr>
<td></td>
<td><em>Adversaries</em> Regulation and Controls</td>
</tr>
<tr>
<td>Weak/Vulnerable</td>
<td><em>Dependents</em> Moral Suasion and Exhortation</td>
</tr>
<tr>
<td></td>
<td><em>Deviants</em> Coercion and Punishments, Disincentives</td>
</tr>
</tbody>
</table>

Modelled after Schneider and Ingram 1993
This highlights the significant linkages which may exist between both perceived and actual target behaviour and government tool use. Accurately determining what is real and what is merely stereotypical requires careful empirical research and clarity on the part of government and the avoidance of stereotypes and simple estimations of target group attitudes and power. Using policy experiments to directly test assumptions about the policy responses of targets on a small scale before rolling out fully fledged programmes affecting wide swaths of the population, for example, is a prudent practice to follow in many circumstances (Nair and Howlett 2015; Vreugdenhil et al 2012). However, it is important that such experiments not simply focus on examining possible variations in the kinds of incentives and disincentives which might be deployed and their calibration but are able determine the actual range of policy target behaviours and responses which occur when specific mixes of policy tools are deployed (John 2013).

**Conclusion: Better Policy Design Theory and Practice through Behavioural Study**

Studies of policy tools have traditionally focused on the effective use of governing resources to attain policy ends, but without devoting a great deal of attention to the behaviour and characteristics of policy targets often simply assuming that behaviour is motivated by utilitarian calculations on the part of policy targets. Although this is beginning to change with recent work examining policy ‘nudges’ and the effects and reasons for deploying co-production and social marketing tools, analysis of policy targets and resulting policy designs all too often still retain a crude concept of target behaviour inspired by assumptions about self-maximizing activity and the hedonic desires of policy targets.

Traditionally much compliance theory in economics and elsewhere has embodied this concept of ‘compliance-deterrence’ (Kaine et al 2010) based on the hedonic idea that narrow self-interest and calculable utility in enhancing pleasure and avoiding pain is the primary motivator of compliance behavior on the part of policy actors (Kaine et al 2010; Stover and
Brown 1975), with governments enhancing pain and pleasure in efforts to deter specific kinds of activity and encourage others. This thinking has led to many considerations of policy design focusing only upon the calibrations of policy tools – such as the size of penalties or rewards, rather than upon the nature of the tools themselves and whether the appropriate tool is being used to match the nature of target compliance and co-operation in the design situation.

However, research has shown that deciding which tool to employ in which circumstances depends on many other factors besides utilitarian cost-benefit calculations, such as whether or not governments are held to be legitimate and competent; whether and to what extent targets can be subject to financial manipulation; the extent to which government information is held to be credible; and the accuracy of government views of these beliefs and attitudes among target groups and their membership. Governments held to be legitimate, competent and credible may require only the deployment of few resources to ensure high levels of compliance, while those which are not may require the continual employment of much more directive and coercive tools.

Designing for a different set of motivations of policy targets and linking these to specific tools choices is complex but realizable. Although this task is made more difficult, as Walker et al (2013 p. 245) have noted, by the complex structure of policy targets which leads governing instruments and tools to be typically arrayed in complex mixes or portfolios governments are still able to realize complex designs in which some tools are intended to ‘shape’ behaviour while others are expected to hedge or mitigate against spillovers and ‘boomerang’ effects resulting from the others (on mixes see also Givoni et al 2012; Keast et al 2007).

The existing utilitarian approach to policy design is unsustainable in both theory and practice and is at the root of many instances of policy failure. Rather than un- or sub-consciously adopt the wrong tool for the job, policy makers should be much more careful about
understanding the behavioural aspects of both policy tools and targets and ensure these are matched up in an effective compliance regime.

Several lessons for practitioners, analysts and policy designers alike flow from these insights into the nature of policy tools and their links to their targets. First, the examples provided above illustrate the need if effective policy design is to take place to go beyond the simple utilitarian notions of compliance which abound in the literature (Duesberg et al 2014; Hofmann et al 2014). Second, it should be recognized that tools both use different resource and draw on different aspects of target behavior in achieving effectiveness (Gunningham et al 1998). Third, it should be recognized that targets are often complex entities and a range of different target behaviours will often be present in any particular situation. That is, it is unlikely that 100% compliance can be attained through the deployment of any single type of tool and to the extent that a high level of compliance is desired by government, a range of tools addressing and utilizing different kinds of motivations should be employed. This is the case for example, with many situations in which drivers are urged, for instance, to avoid speeding on safety and citizenship grounds, but in which those who fail to comply face more onerous penalties and fines.

Fourth, there may be trade-offs between different tools and the possibility that deployment of one can undermine another. This has been documented, for example, in the use of ‘excessive’ efforts to monitor and collect taxes which can lead to a diminishment in the kinds of voluntary, citizenship-based, compliance with tax law upon which most tax collections regimes rely (Hofmann et al 2014; French 2011; Rathi and Chunekar 2015).

Finally, designers should also be extremely vigilant in not falling prey to fully socially constructed designations of target populations which reflect prejudices and ideologies rather than facts (Schneider and Ingram 1993 and 2005); meaning that in this sphere, as in many others “evidence-based compliance” is to be preferred over uninformed presuppositions and
judgments. Where evidence is lacking, policy-makers should undertake policy experiments able to discern behavioural responses (Nair and Howlett 2015; Vreugdenhil et al 2012).

Endnotes

1 Note this is different from the ‘policy targets’ invoked by Boswell (2014) and others which relate to measures and indicators of policy goals or objectives rather than their intended audience or ‘public’. See also Ghosh et al 2014 for a similar use of the term.

2 While there is no denying that targets are politically and socially constructed, there is also a significant ‘objective’ linkage in expectations governments have about compliance. That is, advantaged groups are usually expected to comply or have similar interests or share government aspirations in general more than are deviants, and dependents are able to evade controls in the same way as do adversary groups (Pierce et al 2014).

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