Advanced Public Policy: Scientific Foundations

Public Policy · Practice Test · 12 Questions

1. According to the theory of 'bounded rationality,' as developed by Herbert Simon, policymakers are assumed to be:

A) Completely rational agents with perfect information and infinite cognitive capacity.
B) Emotionally driven actors whose decisions are solely based on public opinion.
C) Possessing limited information processing capabilities and cognitive resources, leading to 'satisficing' rather than optimizing.
D) Solely influenced by rent-seeking behavior and special interest group lobbying.

2. The concept of 'policy feedback' posits that implemented policies can have unintended consequences that shape future policy agendas and political discourse. Which of the following is a scientifically validated form of policy feedback?

A) The creation of new policy problems that were not anticipated during the initial policy design.
B) Direct and immediate shifts in public opinion following policy enactment.
C) A permanent, linear progression of policy development without any feedback loops.
D) The complete obsolescence of a policy once its initial objectives are met.

3. Behavioral economics, particularly the work of Thaler and Sunstein, suggests that 'nudges' can influence behavior without restricting choices. A scientifically established example of a nudge in public policy is:

A) Mandatory vaccination for all citizens.
B) Implementing a Pigouvian tax on carbon emissions.
C) Automatic enrollment in retirement savings plans with opt-out provisions.
D) A complete ban on the sale of sugary drinks.

4. The 'principal-agent problem' is a well-documented issue in public administration where the interests of the agent (e.g., a public bureaucrat) may not align with the interests of the principal (e.g., elected officials or the public). A common mechanism to mitigate this problem, supported by empirical research, is:

A) Increasing the autonomy and independence of bureaucratic agencies.
B) Implementing robust monitoring and evaluation systems, performance metrics, and accountability frameworks.
C) Reducing transparency to prevent external interference.
D) Eliminating all forms of performance-based incentives for public employees.

5. The 'Tragedy of the Commons,' as described by Garrett Hardin, illustrates a situation where individual users, acting independently according to their own self-interest, behave contrary to the common good of all users by depleting or spoiling a shared resource. A scientifically supported solution to address this is often:

A) Allowing unrestricted access to the resource to foster competition.
B) Privatizing the resource to individual owners.
C) Implementing strong regulatory frameworks, property rights, or community-based management systems.
D) Ignoring the problem and assuming rational actors will self-regulate.

6. The concept of 'path dependency' in policy analysis suggests that past decisions and institutional arrangements constrain future policy choices. An empirically demonstrable example of path dependency is:

A) The rapid and complete abandonment of established welfare systems in favor of entirely new models.
B) The persistence of a particular technology or infrastructure choice (e.g., railway gauge) due to initial adoption costs and established networks.
C) The instantaneous adoption of the most efficient and cost-effective policy solution regardless of historical context.
D) The absence of any influence from historical policy decisions on current policy options.

7. Cost-benefit analysis (CBA) is a widely used tool in public policy. A fundamental scientific principle underpinning CBA is the concept of:

A) Maximizing social welfare through the direct redistribution of wealth.
B) Discounting future costs and benefits to their present value to account for the time value of money and opportunity costs.
C) Ignoring all intangible benefits and focusing solely on quantifiable monetary outcomes.
D) The assumption that all costs and benefits are perceived equally by all individuals.

8. The 'Iron Triangle' in policy studies describes a mutually supportive relationship between:

A) Academics, the media, and the general public.
B) Legislative committees, bureaucratic agencies, and organized interest groups.
C) The judiciary, international organizations, and NGOs.
D) Think tanks, lobbyists, and political parties.

9. The 'optimal level of regulation' is a concept in economics that balances the benefits of regulation against its costs. According to empirical studies, a common outcome of excessive or poorly designed regulation is:

A) Increased innovation and efficiency in regulated industries.
B) Reduced compliance costs for businesses.
C) Market distortions, reduced economic growth, and unintended negative consequences.
D) A significant decrease in information asymmetry between producers and consumers.

10. Social capital, as conceptualized by scholars like Robert Putnam, refers to networks of relationships among people who live and work in a particular society, enabling that society to function effectively. Scientifically, a deficit in social capital is empirically linked to:

A) Higher rates of civic engagement and political participation.
B) Increased trust and cooperation within communities.
C) Lower crime rates and improved public health outcomes.
D) Greater social cohesion and more effective collective action.

11. The concept of 'regulatory capture' occurs when regulatory agencies, created to act in the public interest, instead advance the commercial or political concerns of special interest groups that dominate the industry or sector they are charged with regulating. A scientifically documented consequence of regulatory capture is:

A) Increased competition and lower prices for consumers.
B) Stricter enforcement of regulations that benefit the public.
C) Weakened regulation, reduced consumer protection, and potential market failures.
D) Greater transparency and accountability from the regulated entities.

12. The 'logic of collective action,' as articulated by Mancur Olson, explains why large groups may find it difficult to achieve their common interests. This is primarily due to:

A) The inherent laziness of individuals in large groups.
B) The disproportionate benefit derived by individuals from the collective good, coupled with the incentive to 'free-ride' on the contributions of others.
C) The lack of communication channels within large organizations.
D) The desire of individuals to avoid any form of group affiliation.