

Foundations of Public Policy

Public Policy · Answer Key · 21 Questions

1. What is a primary goal of public policy in a democratic society?

- A) To maximize individual profit for policymakers.
- B) To serve the collective well-being and address societal problems.**
- C) To implement the whims of the ruling party.
- D) To restrict information flow to the public.

2. Which academic discipline most directly studies the causes and consequences of government actions?

- A) Astrophysics
- B) Geology
- C) Public Policy**
- D) Classical Music Composition

3. The concept of 'externalities' in economics, often addressed by public policy, refers to:

- A) The cost of goods produced in foreign countries.
- B) Unintended consequences of economic activity that affect third parties.**
- C) The internal costs of running a business.
- D) Government regulations on imports.

4. Evidence-based policymaking relies on:

- A) Personal anecdotes and opinions of advisors.
- B) Theories that have been rigorously tested and supported by data.**
- C) Historical precedents without current validation.
- D) Gut feelings and intuition.

5. The 'Tragedy of the Commons' is a theory that explains challenges in managing:

- A) Private property owned by individuals.
- B) Shared resources that are open to all and subject to overuse.**
- C) Monopolistic industries.
- D) Government-controlled monopolies.

6. Which of the following is a key stage in the public policy process?

- A) Ignoring public input.
- B) Problem identification and agenda setting.**
- C) Eliminating all dissent.
- D) Randomly implementing solutions.

7. Cost-benefit analysis is a tool used in public policy to:

- A) Guess the popularity of a policy.
- B) Determine if the expected benefits of a policy outweigh its costs.**
- C) Ignore potential negative impacts.
- D) Calculate the number of people affected.

8. The study of how people make decisions, particularly in the context of scarce resources, is fundamental to understanding public policy. This field is known as:

- A) Sociology
- B) Psychology
- C) Anthropology
- D) Economics**

9. Public goods, such as national defense or clean air, are characterized by:

- A) Excludability and rivalry.
- B) Non-excludability and non-rivalry.**
- C) Excludability and non-rivalry.
- D) Non-excludability and rivalry.

10. Policy evaluation aims to:

- A) Ensure policies are always popular.
- B) Assess the effectiveness and impact of implemented policies.**
- C) Create new problems.
- D) Hide policy failures.

11. The principle of 'rational choice theory' suggests that individuals and policymakers:

- A) Always act impulsively.
- B) Make decisions to maximize their own utility or benefits.**
- C) Are driven solely by emotion.
- D) Are incapable of making logical choices.

12. The concept of 'market failure' implies that:

- A) Markets always operate perfectly.
- B) Markets, left to themselves, can sometimes fail to allocate resources efficiently.**
- C) Government intervention is always detrimental.
- D) Consumer demand is always met.

13. Social constructionism in policy analysis views social problems as:

- A) Objective realities independent of human interpretation.
- B) Products of social processes and collective agreement.**
- C) Naturally occurring phenomena.
- D) Unchangeable aspects of society.

14. A key function of the 'policy implementation' stage is:

- A) Debating new policy ideas.
- B) Putting a decided policy into action.**
- C) Concluding the policy process.
- D) Analyzing policy failures.

15. The precautionary principle, often applied in environmental policy, suggests that:

- A) Action should be taken only after absolute certainty of harm.
- B) Lack of full scientific certainty should not be used as a reason for postponing cost-effective measures to prevent environmental degradation.**
- C) Environmental protection is a low priority.
- D) Economic growth must always come before environmental safety.

16. The 'iron triangle' in policy studies refers to the relationship between:

- A) The public, media, and researchers.
- B) Bureaucratic agencies, interest groups, and legislative committees.**
- C) Political parties, voters, and elections.
- D) The executive, legislative, and judicial branches of government.

17. Which of the following is a common form of policy instrument?

- A) Public opinion polls.
- B) Regulations, taxes, subsidies, and information campaigns.**
- C) Academic research papers.
- D) International treaties only.

18. The concept of 'information asymmetry' in economics and policy relates to situations where:

- A) All parties have equal access to information.
- B) One party in a transaction has more or better information than the other.**
- C) Information is deliberately withheld from everyone.
- D) Information is freely available to the public.

19. Policy legitimization is the process by which a policy gains:

- A) Unanimous public approval.
- B) Acceptance and perceived rightfulness.**
- C) Funding from international bodies.
- D) Opposition from all stakeholders.

20. The 'principal-agent problem' describes challenges arising when:

- A) A single person makes all decisions.
- B) One party (the principal) delegates tasks to another party (the agent).**
- C) There are no intermediaries.
- D) Agents directly control principals.

21. What is a key characteristic of a 'rent-seeking' behavior in policy?

- A) Creating new goods or services.
- B) Using political influence to gain economic benefits without contributing to societal wealth.**
- C) Increasing competition.
- D) Innovating for the public good.