

Water Policy Analysis – Exam #1

To conduct a policy analysis of this case, the first thing that must be determined is the basic model to be used. An analyst has two distinct choices that consist of the rational approach or what is commonly referred to as the political approach. In my opinion, the rational approach has a whole host of problems because it does not allow for the same level of nuance in the process found in the political approach. The “best” answer to a problem may not be the right answer given the set of circumstances, and this is not included in the rational method. With the political, non-rational method being the base of our analysis, we have a variety of models to use to help explain the way the procedure moves. One of the best is John Kingdon’s process streams, where policy is a constantly flowing, moving concept. Using this model, as soon as a problem arises and moves through all three streams (problem, policy proposal, politics), there will usually be a new problem. The reason that this model works so well for this specific issue is because this policy has two separate time periods, the original decision in the 70’s and the reconsideration of today. No sooner was the system set in place between the government, local tribes, and Peabody than concerns arose about the final result of the process. This circular flow shows the logic behind the streams method.

When starting to analyze the policy using a political approach, the first thing to do is to identify stakeholders, or those who have a significant interest in the final result of this process. Another vital piece of the puzzle is to understand the central value conflict, which is a dichotomy of two separate ideals, where each leads to a specific idea in what the correct policy outcome is. Considering the water use policy, who are the stakeholders? There are two main stakeholders here: the Indian tribes and Peabody Coal. The Indian tribes affected here are the Hopi and Navajo nations, which have received over \$100 million in royalties over the years, but are losing water from the Navajo aquifer that is the only source of drinking water in the area. Peabody Coal uses a slurry to transfer the coal, and they are interested in the outcome because the slurry is the cheapest way for them to move the coal to Laughlin, Nevada. Other stakeholders are the Black Mesa Trust, an organization that opposes the use of aquifer water for coal transfer, and the Bush administration, which has committed to increasing national sources of energy, especially in the West. Citizens of Nevada also play a role, because they may have to pay a higher price for energy if Peabody is forced to close the slurry and truck in the coal at a much higher cost. The

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central value conflict can be defined from a basic taker/leaver sense. The takers believe that the land is an asset to be used, and that it is important to increase energy for the sake of production. The leavers, such as the Native Americans on the land, want to preserve the environment and the natural resources for long-term use.

In order to determine the possible course that policy may take and come up with our own solution, many different types of information need to be collected. One of the first things to consider is why this has even become an issue. What led the questionable mining process onto the public agenda? Is it because this is now viewed as a large-scale problem, or did the marathon event draw publicity to make it fashionable? What are the chances that this issue will remain in the public eye? All of these questions must be addressed for starters. The data gathering process would follow this, consisting of reports from both sides of the issue. It is highly unlikely that these reports will agree on many of the basic facts, such as water used per year, aquifer size, percentage of usable water in the aquifer, etc. An important thing to know would be various forms of cost-benefit analysis. For example, how much coal per acre-foot of groundwater is being pumped, and what is the difference in cost for Peabody between trucking and slurry? One note: While cost-benefit is a large part of the rational model, it can still be considered in a political model. The difference is that in the political method, the best solution may not be the one that maximizes the results from cost-benefit analysis.

This process of gathering information would fall under the formulation section of the policy process. An event such as the run would be used for the purpose of agenda setting, those kinds of things bring the issue to the table publicly. Many times, very little actual research is done when the agenda setting process is occurring, because often the case is that the only thing known is the existence of a problem. Formulation involves coming up with a way to solve the perceived problem. At the beginning of formulation, a policy analyst looks to clearly define the issue using various types of information, from the stakeholders and value conflict mentioned earlier to the hard data. It is impossible to create an effective solution without sufficient information, and this is why I would place gathering information as part of the formulation part of the policy process. Finally, my belief on the preferable policy outcome is one that would eventually end the use of the slurry method over time without cutting off or ignoring Peabody's rights to the land or the water. The best policy would be to allow Peabody to receive some form of compensation if closing down the plant is the safest ecological option.