

Using your chosen country and one of the other core countries for comparison, along with the information in this sheet to help formulate a half page single spaced paragraph for the following:

**Explain the factors that can influence public policy, including public opinion, economic conditions, technological change, and interest groups.**

Submit your completed assignment when finished.

Public policy is a complex and multifaceted process. It involves the interplay of many parties. This includes many businesses, interest groups, and individuals competing and collaborating to influence policymakers to act in a particular way and on a variety of policies. These individuals and groups use numerous tactics to advance their interests. The tactics can include lobbying, advocating their positions publicly, attempting to educate supporters and opponents, and mobilizing allies on a particular issue. Perfect policies rarely emerge from the political process. Most often policy outcomes involve compromises among interested parties.

When a business considers which policy to support and advocate for, considerations include what is in their best interest—that is, which policy could help the business achieve the greatest profits. Other considerations include the policy's political feasibility, whether a majority of others will support the policy, and also how cost effective and efficient the policy would be in achieving the desired outcome. For an example, the cost of a policy of zero carbon emissions would be prohibitive. While the benefits of zero carbon emissions might be high, it would be impossible to achieve without very high economic cost. In contrast, a phased, for example, 5 percent to 10 percent in five to ten years, reduction in carbon emissions from motor vehicles would be a more reasonable and cost effective policy. Equity is another consideration; is the policy fair, are the benefits from the policy equitably distributed, and are the costs of the policy shared fairly?

Public policies are influenced by a variety of factors. These factors include public opinion, economic conditions, new scientific discoveries, technological change, interest

groups, nongovernmental organizations (NGOs), business lobbying, and other political activity.

As a result of the wide variety of influencing factors that tend to pull and push policy in different directions, public policy change often happens slowly. Absent a crisis, and sometimes even during a crisis, the influencing factors can tend to check and counteract each other, slowing the development and implementation of new policy and tending to lead to incremental rather than radical changes in public policy. And often, the influencing agents are more effective in blocking policy change than in having new policies adopted—as has been the case with comprehensive climate change policy at the US federal level and resistance from some large energy companies.

### Public Opinion

Public opinion and priorities have strong influence on public policy over time. Relevant to sustainable businesses is the increasing public concern about the environment, volatile energy prices, and global climate change. This is influencing public policy through electoral politics, citizen rallies, and actions that affect governmental decision makers. Also influencing public policy relevant for sustainable businesses are new scientific findings and information, such as new findings about climate change and the human and business impact on climate change

### Economic Conditions

Economic conditions also significantly affect the policy environment and operating context for businesses. The Great Recession at the end of the first decade of the twenty-first century enhanced interest and support for public investments and incentives (including in energy efficiency and renewable energy) that could help to create jobs.

### Technological Change

Technology advancements—often motivated by market and business opportunities—also affect public policy. Technology is constantly changing and this affects the business environment directly and also indirectly as public policies change with technological inventions. New, lower-cost, and easier-to-use technologies can increase public support for policies that promote renewable energy and energy efficiency and

that reduce environmental damage. Examples of these include new designs and materials for packaging that reduce environmental costs, new technology that achieves mass production of full-spectrum solar cells that reduces the cost of solar energy, and programmable thermostats integrated with mobile communication.

### Interest Groups

Interest groups include business and trade associations, professional organizations, labor unions, environmental advocacy organizations, and cause-oriented citizen groups and lobbies. Individuals and businesses also organize into associations and interest groups for other reasons than to try to influence government. This includes for promotional and educational efforts, to support specific activities that are relevant to members (such as clearing and preservation of hiking trails by the Appalachian Mountain Club), and to provide members with select benefits (such as access to cleared trails). Interest groups advocate for public policies that serve the desires of their members and further the mission of their organizations (e.g., environmental interest groups supporting legislation to improve air quality by reducing carbon emissions).

### Business Associations

Business efforts to influence public policy and government include not only individual company efforts but also business associations. These associations act collectively to promote public policies in the best interest of business in general and also in the interest of specific industries and localities. Examples of business associations engaging in efforts to influence public policy include the US Chamber of Commerce, the National Association of Manufacturers, the state-level business and industry associations, and the local chambers of commerce. The US Chamber of Commerce is the world's largest business organization, representing the interests of more than three million businesses of all sizes, sectors, and regions.

In the Islamic Republic of Iran, public policy is shaped, like in any other country, by several factors, despite the predominance of the Shi'ite religious elite in guiding the direction of governance in the country. In recent years, however, a confluence of technological changes, deteriorating economic conditions, shifts in public opinion, and foreign pressures have clashed with the controlling groups in government, necessitating changes in policy to accommodate for changing times. What is obvious is the effect of foreign pressures in altering the policy landscape of the country, despite being of an external source. In response to the continued progress of the Iranian nuclear industry and in fear of the potential development of an Iranian nuclear weapon, the United States and allied countries imposed economic sanctions on the Islamic Republic of Iran. Some of these sanctions amount to a total economic embargo against Iran by restricting sale of many goods to the country and forbidding import of Iranian products, as well as sanctioning companies doing business in Iran. In response to the ensuing economic turmoil, Iran has sought to increase oil exports to other countries, limit capital outflows, replace imports with domestic goods, and restrict luxury imports - this is intended to be a "resistance economy" capable of sustaining itself on its own. Offers of domestic insurance for tankers shipping Iranian oil are hoped to incentivize the People's Republic of China to halt its reduction in Iranian oil imports and to instead increase those imports for Iran's benefit. Protests in 2017 and 2018 that were sparked by soaring egg prices led to a harsh government response instead of acquiescence to social demands. Messaging services were restricted in the wake of these protests, arrests were made, and severe punishment for demonstrators was threatened. Generally, censorship has increased, and teaching of English in primary schools has been suspended. Instead of responding to Economic Conditions and Public Opinion through compromise, the Iranian government has instead tightened its control with more restrictive public policy and attempts at building a self-sustained economy. A big part of exacerbating issues in Iran that have led to these policies has been, of course, the spread of digital technology and messenger apps that have enabled underground communication among protest groups, enabling them to organize demonstrations. Many of the interest groups in the country, including the middle class, educated women, and labor forces have been part of this push for reform in Iran. Shi'ite interest groups and pro-government interest groups have proven more successful in influencing public policy, however, by encouraging the crackdown that has been observed over the past year. Iran's policy, both foreign and domestic, has centered in recent years over deteriorating economic conditions, social instability, clashing interest groups, and keeping up with technological change. As pressure mounts from the outside world, Iran will continue to institute policies designed to make it into a self-sustaining, figurative island insofar as that is possible; further policies designed to limit the power of anti-government interest groups in response to negative public opinion will also be enforced.