

PADP 8670: Public Policy Analysis I

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Course Information

Classroom: Baldwin 322

Class Time: W 6:50 – 9:50 PM

Description

This course introduces students to the theoretical and quantitative techniques of policy analysis, focusing primarily on the role of markets in public policy. The course is intended to enable students to be critical users of policy analyses and to understand the role of policy analysis in social policy development. It will provide a thorough introduction to the field of economic policy analysis for those students who are planning to continue on in the area of social policy evaluation and development. By the end of this semester, students should be able to:

- Identify the steps involved in the policy analysis process (problem definition, determination of evaluation criteria, identification of policy alternatives, evaluation of policy alternatives, and selection of the preferred policy);
- Use empirical evidence to substantiate policy arguments, and understand some of the limitations of data and empirical analysis;
- Select and apply criteria for policy analysis (e.g. efficiency, costs, equity, feasibility), with consideration to the ethical and political issues involved in criteria selection;
- Identify and select policy alternatives;
- Understand the different methods for evaluating the expected effects of proposed policies (e.g. cost-benefit analysis, risk analysis, and sensitivity analysis), including the distribution of effects among population subgroups.

Required Text

Weimer DL and Vining AR. (2011) *Policy Analysis*. 5th edition. Pearson Education.

There will be additional readings which will be distributed in class.

Grading

Class attendance is not required, but is strongly recommended.

Two Exams (50%)

There will be two in-class exams, each counting for 25% of the course grade. Any known scheduling problems should be brought to my attention as soon as possible. If you miss the midterm exam without a university-approved excuse, you will receive a zero. If you have a university-approved absence, then the final exam will count for 50% of the course grade. No make-up exam will be given.

- *Midterm (25%)*: The midterm exam will test your knowledge of concepts covered in class and your mastery of economic analysis tools learned in class.
- *Take-home Final Exam (25%)*: In the final exam, you will be asked to evaluate a policy proposal and provide a policy recommendation. Evaluation criteria should include costs and the projected effect on economic recovery (you can add other criteria as well). You will be asked to discuss the consequences for people who will be affected, using economic analysis tools you learned in class. Detailed instructions will be given before the final exam.

Homework Assignment (10%)

There will be homework assignments, which will count for 10% of the course grade. You are encouraged to work in groups (composed of no more than 3 students). If you work in a group, submit only one problem set for each group. Your problem sets will not be returned to you. The problem sets handed in on time will be graded on a 2 point scale (check plus and check minus). Since a solution set will be available on the course website once a problem set is handed in, late problem sets will not be accepted (which means you will receive a zero).

Policy Memo (15%)

This memo will count for 15% of the course grade. This memo should be no more than 1000 words. This assignment is to a short economic evaluation of some existing or proposed policy. You should 1) explain the problem addressed by the policy, 2) describe the policy, 3) specify and discuss evaluation criteria, 4) explain how the policy addresses the problem with respect to each evaluation criterion (compared to the status quo), 5) use economic reasoning in your discussion, and 6) offer one policy recommendation that directly follows from the evaluation provided in the memo. The details of the policy should be reviewed using available information from the news and academic outlets (include citations). The analysis should appeal to an explicit economic model discussed during the course (graphs and jargon may be used as appropriate). Your topic should be in an area that is of particular interest to you. Your policy memo will be graded on the six items listed above as well as on the clarity of the writing overall.

Policy Paper (20%)

- *Masters students*: 3 or 4 person groups work together to write one 15-page (double-spaced) paper. Your assignment is to produce a policy report answering a broad policy question "asked" by a Congressman. Your group must decide on the policy question and have it approved by me. The report should include the following elements: executive summary (1 page), background on the issue (2-4 pages), detailed answer to the specific question including a thorough literature review (9-11 pages), conclusion (1 page), and bibliography. Where appropriate, tables and figures should be included. Be thorough, clear, and organized. Refer to concepts and economic reasoning discussed in class and in the readings.
- *PhD students*: Your assignment is a 15-page policy research paper which should analyze a policy in more depth than a memo. You choose a policy from your interest areas, but the

topic must be approved by me. This research paper will focus on describing an existing or proposed policy and discussing the rationale and goals of government intervention. The paper should contribute to your understanding of the history and literature on this policy, and the theoretical model which leads to the predictions about the policy's impacts.

Oral Presentation (5%)

The last day of class will be devoted to presentations based on the Policy Paper. The presentation will count for 5% of the course grade. Masters students will present as a group and PhD students will present their individual work. The presentations will be graded on clarity of presentation and ability to answer audience questions.

Academic Integrity

All students are responsible for maintaining the highest standards of honesty and integrity in every phase of their academic careers. The penalties for academic dishonesty are severe and ignorance is not an acceptable defense.

Course Topics

Note: The course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary. We may not cover all of these topics. Conversely, time permitting, other topics might be covered in this course.

Aug 20	Introduction
Aug 27	What is Policy Analysis? <ul style="list-style-type: none">• WV Chs. 2,3 & 15
Sep 3	Evaluation: Efficiency <ul style="list-style-type: none">• WV Chs. 4 & 14
Sep 10	Evaluation: Analysis of Welfare Programs <ul style="list-style-type: none">• Readings to be posted
Sep 17	Evaluation: Cost-Benefit Analysis <ul style="list-style-type: none">• WV Chs. 16• <i>Policy Paper topic due</i>
Sep 24	Problem: Market Failures <ul style="list-style-type: none">• WV Ch. 5
Oct 1	Problem: Uncertainty and Allocation over Time <ul style="list-style-type: none">• WV Ch. 6

- Oct 8** Problem: Other Rationales for Intervention
- WV Ch. 7
- Oct 15** Midterm Exam
- Oct 22** Taxation & Subsidies
- Ch. 10
 - *A Policy Memo due*
- Oct 29** Market-based Solutions
- Readings to be posted
- Nov 5** Regulations and Public Provision
- Readings to be posted
- Nov 12** Insurance and Cushions
- Readings to be posted
- Nov 19** Class Presentation
- *Policy Paper due*
- Nov 26** Thanksgiving Break - No Class
- Dec 3** Review
- Final Exam handed out
- Dec 8** FINAL EXAM DUE VIA EMAIL BY 11:59 PM