University of Georgia

Department of Public Administration and Policy PADP 8670: Public Policy Analysis I Fall 2020

COURSE SYLLABUS

Professor: David Bradford **Class Time**: Monday, 4:10 – 7:00 PM

Office: 201C Baldwin HallClass Location: Baldwin 311E-mail: bradfowd@uga.eduOffice Hours: by appointment

Phone: 706-542-2731

**** NOTICE: Special Fall 2020 COVID-19 policies appear on the last page of the syllabus ****

Description:

This course is the first semester of a two-semester course in public policy analysis. The first semester 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. This course 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.

Part of the programmatic goals for University of Georgia MPA students are that they understand the public policy process at the federal, state and local levels, including formulating, implementing and evaluating public policy. Students should develop the ability to interpret and persuasively communicate information regarding policy alternatives through written materials. Additionally, students should analyze policy alternatives using quantitative and qualitative tools to evaluate decisions and explain potential ramifications for diverse constituencies. Students should also learn to manage financial resources.

Secondly, the MPA program at UGA teaches students to utilize various methods and analytical tools to gather, analyze and interpret data to provide effective reasoning for decision-making and policy creation. Students should learn to effectively inform the public and other stakeholders of decisions and initiatives through the presentation of data and research finding. Furthermore, they should learn to produce policy papers involving the synthesis of information, evaluation, and analysis of critical questions or problems currently facing the field of public administration and policy.

Ultimately, this course seeks to lead students to develop these skills by applying the economic method of thought - assuming rational agents respond predictably to incentives in order to allocate the scarce resources at their disposal as seems "best" to them - and how this method can be a widely useful tool for assessing the need for, and likely impact of, public policy. Students in the course will practice the several skills outlined above via class discussion, out-of-class readings, and writing an independent paper.

Course Objectives

- 1. Examine how policy analysis is used to inform public decisions and policy development; examine the steps involved in the policy analysis process, including problem definition, determination of evaluation criteria, identification of policy alternatives, and policy evaluation;
- 2. Consider the political context and the challenges to the rational model of policy analysis and the influence of ambiguity and uncertainty;
- 3. Examine how data are used by social policy analysts to verify social problems and delineate policy problems as well as the challenges to unambiguous, objective empirical analysis;
- 4. Consider how criteria for policy analysis (equity, equality, adequacy, security, liberty, efficiency, social justice, democracy as well as technical, administrative, and political feasibility) are selected and applied and the ethical and political issues involved in criteria selection;
- 5. Examine the different methods for valuing policy effects and the process by which the policy to be implemented is selected, including cost-benefit analysis and cost-effectiveness analysis, as well as evaluation of the distribution of policy effects among population sub-groups.

Educational Outcomes

By the end of the semester, students will be expected to demonstrate:

- 1. a thorough understanding of the policy analysis process;
- 2. a thorough understanding of failures of markets to solve social problems and the role that public policies make in addressing those problems;
- 3. a thorough understanding of the limits of rational policy analysis to influence the decision-making process;
- 4. the ability to appreciate the use of secondary data sources and empirical evidence to substantiate policy arguments and to understand the limitations of data and empirical analysis;
- 5. the ability to apply multiple criteria (e.g., efficiency, equity, equality, security, liberty, or social justice and democracy) in evaluating social policies;
- 6. an understanding of how policy alternatives are identified and evaluated including the methods of forecasting, cost-benefit, cost-effectiveness, and sensitivity analysis;
- 7. the ability to critically analyze policies and programs in terms of their distributional impacts, with particular attention to the impact on vulnerable groups.

Optional Text:

Weimer, David, L. and Aidan R. Vining. (2010) Policy Analysis: Concepts and Practice. (5th ed.) New York: Routledge.

Organization of the Course:

Class meetings will be lecture and (hopefully) student-led discussion.

Because of the health risks of COVID-19 during the Fall 2020 semester, all UGA classrooms have been converted to safe social distance spaces. This means that *only 1/3 of the students can be present each week for face-to-face interactions* in the classroom; so, *each week 2/3 of the class will attend the lecture and discussion component virtually* through Zoom during the class period (synchronously). I will divide the class into three groups: Red, Black, and Gray. Each week will be an in-class option for one group, with the other two groups attending virtually. (See the class schedule for the weeks that each group is permitted to be in the class room.) Students will be assigned to these groups at the start of the semester, and will stay in those groups throughout the semester. Students will not be permitted to swap groups or attend face-to-face if it is not their group's week to be in-class. Class will be completely online for everyone after Thanksgiving.

Please note several things about the face-to-face interactions:

- 1. If it is your color-group week to attend face-to-face, you have the option to come to class rather than attend virtually via Zoom. No student will ever be required to do so, however; <u>if you prefer</u> to attend via Zoom (even if it's your group's face-to-face week) you are free to do so.
- 2. Any student who is feeling ill, who has come into contact with someone who is feeling ill, or who has come into contact with someone who has been diagnosed with COVID-19, must not attend class face-to-face (even if it's your group's week) and must attend virtually via Zoom.
- 3. In order to assure that every student gets as full of an experience as possible, even when it's their group's virtual attendance week, all lecture, conversations, questions, answers, and class discussion will be via Zoom. I will be doing the lecture and using the virtual whiteboard for all lecture notes via Zoom every week. This means that even if you are in the classroom with me, you must ask your questions via Zoom so everyone can hear, and I will answer you via Zoom. So, if you choose to come to the classroom during your face-to-face week you must bring your computer, sign in to the virtual classroom, and participate via Zoom.
- 4. In order to assure that the classroom is adequately prepared, and to guarantee that the limits of safe distance attendance are not exceeded, I will send a "Face-to-Face Signup Form" to the group members whose week it is to attend virtually on Wednesday before each class. You must respond to the signup form affirming your intention to attend face-to-face before noon on each Monday. If you do not give me prior notice on the form that you will attend face-to-face, you will not be permitted to enter the room. Again, there is no penalty whatsoever if you choose to attend class virtually at any time. But, I wish to minimize the potential fomite and aerosol exposure to all students, staff and faculty, and so will not open the room if no one is planning to attend face-to-face in any given week.
- 5. In addition to conducting all interactions through Zoom, each week's class will be recorded, and the recording will be posted to eLC.

Grading: There are four components of the final grade:

- 1. Weekly Tweets (15%)
- 2. Written assignments (40%):
 - a. Four Policy Analysis Memoranda (10% each, MPA only)
 - b. Research Paper (PhD only)
- 3. Detailed video presentation on one memo/research paper (30%)
- 4. Participation in breakout group discussions (15%)

Daily Schedule for Class Events:

12:00 PM: Send Tweet about the week's policy area.

Prior to noon on the Monday of class be sure to have sent a Tweet that discusses some important facts about the weekly policy issue. Be sure to include the hashtag "#PADP8670" at the end of each Tweet.

4:15 – 4:45: Watch weekly John Oliver video segment and take notes on your own.

The link to each week's video is hyperlinked in the Class Schedule section of the syllabus below. Make sure you have watched the week's video and taken notes on it prior to 4:50 PM each Monday, when the interactive component of the class starts.

4:45 – 4:50: Sign into Zoom (all students, weekly face-to-face and virtual)

The interactive component of the class will begin at 4:50 PM each Monday. Sign into my Zoom room before 4:50 PM. The link for the Zoom room is:

https://zoom.us/j/3914299060?pwd=cDRBS2ZjTTRBV0dxSjFPNXNKSi9jUT09 The passcode is: dpap8670

All student will be entered with video on and audio muted. You can, of course stop your video if you like. Please unmute yourself to ask a question or take part in discussion, but otherwise keep yourself muted.

4:50 – 5:50: Lecture and discussion on underlying theory 5:50 – 6:15: Overview of weekly research paper methods

6:15 – 6:30: Breakout groups assemble on Zoom

Any face-to-face students must leave the classroom and find an available space with no other students around to join the virtual groups.

6:30 – 7:00: Breakout group discussions

After the discussion of the methods associated with the research paper of the week, students will break out into Zoom discussion groups of 4-5 people each. Students will discuss the empirical findings of the paper and what implications the paper has for policy (for example, what practical application could local or state governments take from the research). Students will be graded on their participation. *Each week, each group must designate some group member to be responsible for starting the Zoom meeting, inviting the other students, and recording the discussion locally in their computer.* That person will then be responsible for uploading the recording of the discussion to the class eLC page.

5:00 PM Friday: Send Tweet about the research findings associated with the week's policy area.

Prior to 5:00 PM on the Friday following class be sure to have sent a Tweet that discusses some important academic research findings about the weekly policy issue. This will usually be a summary of the discussion from your breakout group discussion. Be sure to include the hashtag "#DPAP8670" at the end of each Tweet.

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.

Mental Health and Wellness Resources:

- If you or someone you know needs assistance, you are encouraged to contact Student Care and Outreach in the Division of Student Affairs at 706-542-7774 or visit https://sco.uga.edu. They will help you navigate any difficult circumstances you may be facing by connecting you with the appropriate resources or services.
- UGA has several resources for a student seeking mental health services (https://www.uhs.uga.edu/bewelluga/bewelluga) or crisis support (https://www.uhs.uga.edu/info/emergencies).
- If you need help managing stress anxiety, relationships, etc., please visit BeWellUGA (https://www.uhs.uga.edu/bewelluga/bewelluga) for a list of FREE workshops, classes, mentoring, and health coaching led by licensed clinicians and health educators in the University Health Center.
- Additional resources can be accessed through the UGA App.

Course Outline and Schedule (Week / Module number in parentheses)

NOTE: The following schedule is a general plan for the course; changes may be required as the semester progresses to accommodate speed of learning or student interest. Changes will be announced in advance by the instructor. Hyperlinks to the Last Week Tonight episodes are embedded in the segment title.

(1) Introduction to the class and discussion of the semester (8/24)

Virtual (Zoom) Group: Red Group, Black Group, Gray Group

(2) An Introduction to Modeling (8/31)

In-Class Option Group: Red Group Policy Context: Cannabis policy

Last Week Tonight Episode: Marijuana

Key Concepts: Policy goals; reason for policy analysis; efficiency, equity, justice, and freedom as goals; conflicts between goals; basic policy analysis process; devising an intervention.

Bradford, A. C., & Bradford, W. D. (2016). Medical marijuana laws reduce prescription medication use in Medicare Part D. *Health Affairs*, 35(7), 1230-1236.

(3) LABOR DAY – No Class (9/7)

(4) The Problem of Causal Inference I (9/14)

In-Class Option Group: Black Group

Policy Context: Evictions

Last Week Tonight Episode: Coronavirus IX

Key Concepts: Supply and demand; market equilibrium; reading regressions; causality and

causal (treatment) effects; difference-in-difference.

Bradford, Ashley C. and Bradford, W. David, The Effect of State and Local Housing Policies on County-Level Eviction Rates in the United States, 2004-2016 (June 9, 2020). Available at SSRN: https://ssrn.com/abstract=3623318 or http://dx.doi.org/10.2139/ssrn.3623318

(5) The Problem of Causal Inference II (9/21)

In-Class Option Group: Gray Group

Policy Context: Income maldistribution

Last Week Tonight Episode: The Wealth Gap

Key Concepts: Labor supply and labor demand; shortages and surpluses; minimum wages; reading regressions; causality and causal (treatment) effects; difference-in-difference.

Card, David, and Alan B. Krueger. (1994). "Minimum Wages and Employment: A Case Study of the Fast-food Industry in New Jersey and Pennsylvania." *American Economic Review*. 84(4): 772-93.

(6) Consumer Theory: Utility Maximization, Efficiency, and Equity (9/28)

In-Class Option Group: Red Group

Policy Context: Child Labor in the Fashion Industry

Last Week Tonight Episode: Child Labor in the Fashion Industry

Key Concepts: Axioms of choice; utility functions; indifference curves; budget constraints; utility maximization; individual and market demand; consumer surplus; income subsidy; price ceiling.

Ariely, D., Loewenstein, G., & Prelec, D. (2003). "Coherent arbitrariness": Stable demand curves without stable preferences. *The Quarterly Journal of Economics*, 118(1), 73-106.

(7) Revealed Preference and What We can Learn from Behavior (10/5)

In-Class Option Group: Black Group

Policy Context: Food Waste

Last Week Tonight Episode: Food Waste

Key Concepts: revealed preference; consumer sovereignty; income and substitution effects;

inefficiency from subsidizing food consumption; labor/leisure choice model.

Cunha, J. M. (2014). Testing paternalism: Cash versus in-kind transfers. *American Economic Journal: Applied Economics*, 6(2), 195-230.

(8) Markets, Allocation, and Equity (10/12)

In-Class Option Group: Gray Group Policy Context: Monopoly power

Last Week Tonight Episode: Patent Trolls

Key Concepts: Market demand; market supply; equilibrium; Pareto superior reallocation; Pareto optimum; social welfare; deadweight loss; Harberger triangles; allocative efficiency; technical efficiency; conflicts between efficiency and other goals.

Bessen, J., Ford, J., & Meurer, M. J. (2011). The private and social costs of patent trolls. *Regulation*, 34, 26.

(9) General Equilibrium and the Limits of Economics in Policy (10/19)

In-Class Option Group: Red Group
Policy Context: International trade
Last Week Tonight Episode: Trade

Key Concepts: General equilibrium analysis; Edgeworth box; production possibilities frontier; comparative advantage; gains from trade; fundamental welfare theorems; theories of

regulation.

Krugman, Paul. "Ricardo's Difficult Idea." Paper for Manchester Conference on Free Trade (March 1996).

(10) Cost-Benefit, Cost-Effectiveness, Surpluses and Efficiency (10/26)

In-Class Option Group: Black Group

Policy Context: Conducting cost benefit analysis

Last Week Tonight Episode: Professional Sports Stadiums

Key Concepts: Cost benefit analysis; cost-effectiveness analysis; sources of data for analyses;

value of a statistical life; controversies in valuing life for CBA.

Ashenfelter, Orley, and Michael Greenstone. "Using Mandated Speed Limits to Measure the Value of a Statistical Life." *Journal of Political Economy* 112, no. 1 (2004): S226- 67.

(11) Externalities (11/2)

In-Class Option Group: Gray Group

Policy Context: Pharmaceutical marketing to physicians **Last Week Tonight Episode**: Pharmaceutical Marketing

Key Concepts: externalities; positive and negative externalities; the Coase Theorem; Cap and

Trade; FDA drug approval; "off-label" pharmaceutical marketing.

Alpert, A., Powell, D., & Pacula, R. L. (2017). Supply-side drug policy in the presence of substitutes: Evidence from the introduction of abuse-deterrent opioids (No. w23031). *National Bureau of Economic Research*.

(12) Uncertainty in Choice and Uncertainty in Policy Formation (11/9)

In-Class Option Group: Red Group

Policy Context: Decision making under risk, lotteries and insurance

Last Week Tonight Episode: Lotteries

Key Concepts: Expected utility; risk; risk premium; insurance; expected value vs. variance in

policy; risk pooling; diversification; moral hazard; ex ante vs. ex post moral hazard.

Buurman, M., Delfgaauw, J., Dur, R., & Van den Bossche, S. (2012). Public sector employees: Risk averse and altruistic?. *Journal of Economic Behavior & Organization*, 83(3), 279-291.

(13) Time, Risk, and Regulation (11/16)

In-Class Option Group: Black Group

Policy Context: Decision making over time; discounting

Last Week Tonight Episode: Predatory Lending

Key Concepts: Time preferences; discount rate; hyperbolic discounting; time-inconsistent decisions; behavioral biases (framing effects, endowment effects; expectations effects;

adaptation); use of nudges in public policy; U.S. safety regulation.

Bradford, D., Courtemanche, C., Heutel, G., McAlvanah, P., & Ruhm, C. (2017). Time preferences and consumer behavior. *Journal of Risk and Uncertainty*, 55(2-3), 119-145.

(14) Vaccination (11/23)

In-Class Option Group: Gray Group
Policy Context: Vaccination policy
Last Week Tonight Episode: Vaccines

Key Concepts: Understand the policy issues specific to vaccination in the U.S..

Bradford, W. David, and Anne Mandich. "Some state vaccination laws contribute to greater exemption rates and disease outbreaks in the United States." *Health Affairs* 34.8 (2015): 1383-1390.

(15) Presentation Prep (11/30)

(16) Virtual Presentations – On YouTube (12/7)

Coronavirus Information for Students

Face Coverings:

Effective July 15, 2020, the University of Georgia—along with all University System of Georgia (USG) institutions—requires all faculty, staff, students and visitors to wear an appropriate face covering while inside campus facilities/buildings where six feet social distancing may not always be possible. Face covering use is in addition to and is not a substitute for social distancing. Anyone not using a face covering when required will be asked to wear one or must leave the area. Reasonable accommodations may be made for those who are unable to wear a face covering for documented health reasons. Students seeking an accommodation related to face coverings should contact Disability Services at https://drc.uga.edu/.

DawgCheck:

Please perform a quick symptom check each weekday on DawgCheck—on the UGA app or website—whether you feel sick or not. It will help health providers monitor the health situation on campus: https://dawgcheck.uga.edu/

What do I do if I have symptoms?

Students showing symptoms should self-isolate and schedule an appointment with the University Health Center by calling 706-542-1162 (Monday-Friday, 8 a.m.-5 p.m.). Please DO NOT walk-in. For emergencies and after-hours care, see https://www.uhs.uga.edu/info/emergencies.

What do I do if I am notified that I have been exposed?

Students who learn they have been directly exposed to COVID-19 but are not showing symptoms should self-quarantine for 14 days consistent with Department of Public Health (DPH) and Centers for Disease Control and Prevention (CDC) guidelines. Please correspond with your instructor via email, with a cc: to Student Care & Outreach at sco@uga.edu, to coordinate continuing your coursework while self-quarantined. If you develop symptoms, you should contact the University Health Center to make an appointment to be tested. You should continue to monitor your symptoms daily on DawgCheck.

How do I get a test?

Students who are demonstrating symptoms of COVID-19 should call the University Health Center. UHC is offering testing by appointment for students; appointments may be booked by calling 706-542-1162.

UGA will also be recruiting asymptomatic students to participate in surveillance tests. Students living in residence halls, Greek housing and off-campus apartment complexes are encouraged to participate.

What do I do if I test positive?

Any student with a positive COVID-19 test is required to report the test in DawgCheck and should self-isolate immediately. Students should not attend classes in-person until the isolation period is completed. Once you report the positive test through DawgCheck, UGA Student Care and Outreach will follow up with you.