University of Georgia

Department of Public Administration and Policy
PADP 8670: Public Policy Analysis I
Fall 2021

COURSE SYLLABUS

Professor: David Bradford   **Class Time**: Tuesday, 7:00 – 9:50 PM
Office: 201C Baldwin Hall   **Class Location**: Baldwin 301
E-mail: bradfowd@uga.edu   **Office Hours**: by appointment

**** NOTICE: Special Fall 2021 COVID-19 policies appear on the last page of the syllabus ****

NOTE: I expect you to wear an appropriate face covering while inside the classroom. Face covering use is in addition to vaccination and is not a substitute for social distancing. I will provide disposable surgical masks if you have forgotten yours and I will expect you to use them.

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. Class participation will be an important part of the grading, and each student will be required to formally participate in one policy debate. Class attendance is not required, though there is little prospect of success without it.

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%)

Policy memoranda and research papers will be due at the by ***5:00 PM on Tuesday, December 7***.

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)

(2) An Introduction to Modeling (8/31)
    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) Vaccination (9/7)
    Policy Context: Vaccination policy
    Last Week Tonight Episode: COVID Vaccinations
    Key Concepts: Understand the policy issues specific to vaccination in the U.S.; reading regressions; causality and causal (treatment) effects;.

    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.

(4) The Problem of Causal Inference I (9/14)
    Policy Context: Evictions
    Last Week Tonight Episode: Coronavirus IX
    Key Concepts: Supply and demand; market equilibrium; 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)
    Policy Context: Income maldistribution
    Last Week Tonight Episode: The Wealth Gap
    Key Concepts: Labor supply and labor demand; shortages and surpluses; minimum wages.

    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)
    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)
    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)
    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)
Policy Context: Reparations
Last Week Tonight Episode: Housing Discrimination
Key Concepts: General equilibrium analysis; Edgeworth box; production possibilities frontier; comparative advantage; gains from trade; fundamental welfare theorems; theories of regulation.

Aaronson, D., Faber, J., Hartley, D., Mazumder, B., & Sharkey, P. (2021). The long-run effects of the 1930s HOLC "redlining" maps on place-based measures of economic opportunity and socioeconomic success. *Regional Science and Urban Economics*, 86, 103622.

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

      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) Public Goods (11/23)

      Policy Context: Last Week Tonight – Emergency Medical Services
      Key Concepts: Non-excludable good; non-rival good; free rider; market failure; Tragedy of the Commons; government privatization.

      Wilde, E. T. (2013). Do emergency medical system response times matter for health outcomes?. *Health Economics*, 22(7), 790-806.

(15) Presentation Work Day (11/30)

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

Coronavirus Information for Students

Face Coverings:

I expect you to wear an appropriate face covering while inside the classroom. Face covering use is in addition to vaccination and is not a substitute for social distancing. I will provide disposable surgical masks if you have forgotten yours and I will expect you to use them. Reasonable accommodations may be made for those who are unable to wear a face covering for documented health reasons.

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.

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.