

University of Georgia

Department of Public Administration and Policy

PADP 8670: Public Policy Analysis I

Fall 2023

COURSE SYLLABUS

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Class Time: Tuesday, 7:10 – 9:55 PM
Class Location: Baldwin 301
Office Hours: by appointment

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 six components of the final grade:

Component	MPA	Ph.D.
Weekly Tweets	10%	10%
Policy Memos (2); Each memo contains <ul style="list-style-type: none">• Memo• ChatGPT reflection	15% (each)	20% ^a
Research Paper	-	40%
Tests (2)	15% (each)	-
Detailed video presentation on memo/research paper	20%	20%
Participation in breakout group discussions	10%	10%

^a NOTE: Rather than writing two policy memos, the Ph.D. students will write **one** concept paper for a grant application following the NIH style. They will also have ChatGPT reflection component to the exercise.

Incorporating ChatGPT into the writing exercises. It is very likely that AI bots like ChatGPT, Bard, and Bing Chat will soon become important tools in professional writing; however, using them will require some skill and practice. In order to learn to take advantage of these tools, the two policy memos (for MPA students) and one grant concept paper (for Ph.D. students) will include an associated memo where students undertake the following exercises:

- *Section 1:* Write a first draft of an introductory paragraph to the memo/concept paper. This paragraph must have a clear thesis sentence in it. Then, write a prompt asking the AI to edit the intro paragraph. Provide your original paragraph, the prompt that you gave the AI, and the AI edited paragraph.
- *Section 2:* Write a prompt asking the AI to find 7 peer-reviewed citations to support your memo/concept paper given the final version of the thesis paragraph from Section 1. Go to Google Scholar and confirm for each citation the AI provided whether it is real or not. Provide the prompt you gave, the complete list of citations that the AI returned (and any explanation the AI gave alongside the citations), and a discussion about how accurate the AI was.
- *Section 3:* Ask the AI to write one of the paragraphs (at least 6 sentences) in the body of your memo. Edit that paragraph so that it fits better into the memo you're writing. Provide the prompt you gave, the original paragraph generated by the AI, and your edited paragraph. (You should also include the edited paragraph in your actual policy memo or concept paper.)
- *Section 4:* Reflect on the experience of using the AI to write the memo or concept paper. What worked well? What did not work well? What aspects of the question you are addressing in the memo (concept paper) do you think made the AI a better, or less helpful, assistant?

The first policy memo should use ChatGPT as the AI and will be due before midnight on October 16th. The second policy memo and the concept papers should use Bard as the AI and will be due before midnight on December 8th.

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 (8/21)

(2) An Introduction to Modeling (8/28)

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 (9/4)

(4) The Problem of Causal Inference (9/11)

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.

Wursten, J., & Reich, M. (2023). Racial inequality in frictional labor markets: Evidence from minimum wages. *Labour Economics*, 82, 102344.

(5) Consumer Theory: Utility Maximization, Efficiency, and Equity (9/18)

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.

Araña, J. E., & León, C. J. (2013). Can defaults save the climate? Evidence from a field experiment on carbon offsetting programs. *Environmental and Resource Economics*, 54, 613-626.

Restrepo, B. J., & Cantor, J. H. (2020). The effects of soda taxes on adolescent sugar intake and blood sugar. *Health Economics*, 29(11), 1422-1434.

(6) Revealed Preference and What We can Learn from Behavior (9/25)

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.

Carr, J. B., & Packham, A. (2019). SNAP benefits and crime: Evidence from changing disbursement schedules. *Review of Economics and Statistics*, 101(2), 310-325.

(7) Externalities (10/2)

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*.

Beilfuss, S., & Linde, S. (2021). Pharmaceutical opioid marketing and physician prescribing behavior. *Health Economics*, 30(12), 3159-3185.

Nguyen, T. D., Bradford, W. D., & Simon, K. I. (2019). Pharmaceutical payments to physicians may increase prescribing for opioids. *Addiction*, 114(6), 1051-1059.

(8) Markets, Allocation, and Equity (10/9)

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.

Drake, K. M., Starr, M. A., & McGuire, T. G. (2015). Do “Reverse Payment” Settlements Constitute an Anticompetitive Pay-for-Delay?. *International Journal of the Economics of Business*, 22(2), 173-200.

(9) Test 1 (10/16)

(10) General Equilibrium and the Limits of Economics in Policy (10/23)

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.

Huang, S. J., & Sehgal, N. J. (2022). Association of historic redlining and present-day health in Baltimore. *Plos one*, 17(1), e0261028.

Krieger, N., Van Wye, G., Huynh, M., Waterman, P. D., Maduro, G., Li, W., ... & Bassett, M. T. (2020). Structural racism, historical redlining, and risk of preterm birth in New York City, 2013–2017. *American Journal of Public Health*, 110(7), 1046-1053.

(11) Cost-Benefit, Cost-Effectiveness, Surpluses and Efficiency (10/30)

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.

Lavetti, K. (2020). The estimation of compensating wage differentials: Lessons from the deadliest catch. *Journal of Business & Economic Statistics*, 38(1), 165-182.

Guidance on the Treatment of the Economic Value of a Statistical Life (VSL) in U.S. Department of Transportation Analyses – 2021 Update.

(12) Uncertainty in Choice and Uncertainty in Policy Formation (11/2)

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.

Howden, W., & Levin, R. (2022). The Global Impacts of Climate Change on Risk Preferences. Available at SSRN 4132517.

(13) Vaccination (11/9)

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.

Lawler, E. C. (2017). Effectiveness of vaccination recommendations versus mandates: Evidence from the hepatitis A vaccine. *Journal of Health Economics*, 52, 45-62.

(14) 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.

Baillon, A., O'Donnell, O., Quimbo, S., & van Wilgenburg, K. (2022). Do time preferences explain low health insurance take-up?. *Journal of Risk and Insurance*, 89(4), 951-983.

Bradford, W. D., & Doucette, M. H. (2023). Effect of a brief intervention on respondents' subjective perception of time and discount rates. *Journal of Risk and Uncertainty*, 66(1), 47-75.

(15) Thanksgiving Week - Presentation Work Day – No In-Person Class (11/20)

(16) Virtual Presentations – On YouTube (11/27)

(17) Test 2 (12/4)