Public Policy Analysis

Instructor:

Office Hours: xxxxxxxxxx and by appointment
Ballard Extension Hall xxx, Phone: 737-xxxx
E-mail:
Website:

Prerequisite: ECON 311 (Intermediate Microeconomics I) or ECON 435 (Public Economy)

Purpose: The purpose of this class is to evaluate the effectiveness of public policy in promoting efficiency and equity in our economy. Microeconomics and welfare economics provide a theoretical base, and regression and cost-benefit analyses serve as the primary empirical tools of analysis. A number of selected policies will be studied and evaluated. In addition to being of interest in their own right, the outcomes of these policies can inform future social decision-making, by revealing responses to incentive effects and potential unintended consequences, and by providing examples of effective and ineffective means of attaining social and economic goals. The course incorporates writing throughout. Public Policy Analysis is a Writing Intensive Course and satisfies the WIC requirement for the economics major.

Reading Materials

ECON 439 Course Packet. Some readings are available on the web (see reading list) and will not be in the packet.

(See also Helpful Resources listed below.)
Student Learning Outcomes

By the end of the term, students will be able to:
• Explain why there is a need for public policy in our economy.
• Identify incentive effects created by particular public policies and forecast their consequences.
• Interpret findings of cost-benefit and regression analyses.
• Evaluate selected policies such as the minimum wage, earned income tax credit, Americans with Disabilities Act, youth education programs, sin taxes and advertising bans.
• Discuss externalities and public goods.
• Present policy-relevant research in class.

Students will demonstrate knowledge of:
• The main features and uses of writing in economics
• The expectations of readers in economics
• The uses of writing as a critical-thinking tool
• The interactions among critical thinking, critical reading, and writing in economics
• The application of technologies commonly used to research and communicate in economics
• The conventions of usage, specialized vocabulary, format, and documentation in economics

Students will show writing competence by:
• Building written documents in stages
• Editing and polishing work in the later parts of the writing process
• Completing a 8-10 page formal paper integrating and analyzing literature regarding a public policy issue.

Course Requirements

The box below shows course requirements, due dates, and point values for each requirement. Grades will be based on a curve of the total points available in the class. There will also be ungraded written assignments throughout the term.

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Due Date</th>
<th>Points (Weight)</th>
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<tbody>
<tr>
<td>Assignments for the Paper</td>
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<tr>
<td>1. Proposed Topic and References [20 points]</td>
<td></td>
<td>20 (20%)</td>
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<tr>
<td>Graded and returned with feedback</td>
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<td></td>
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<td>2. Journal Article Analysis [30 points]</td>
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<td>30 (30%)</td>
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<tr>
<td>Graded and returned with feedback</td>
<td></td>
<td></td>
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<tr>
<td>3. Draft of the paper [50 points]</td>
<td></td>
<td>50 (50%)</td>
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<td>Graded and returned with feedback</td>
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<tr>
<td>Final Paper</td>
<td>125</td>
<td>25 (25%)</td>
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<tr>
<td>Oral Presentations</td>
<td>50</td>
<td>10 (10%)</td>
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<tr>
<td>Midterm Exam</td>
<td>100</td>
<td>20 (20%)</td>
</tr>
<tr>
<td>Final Exam</td>
<td>125</td>
<td>25 (25%)</td>
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<tr>
<td>Total points available</td>
<td></td>
<td>500 (100%)</td>
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**Paper:** By the end of the term you will complete a formal paper. To that end you will submit three assignments which will be returned to you with feedback before the next assignment is due. You are expected to revise each assignment in response to this feedback before incorporating it into the next assignment. Instructions for these assignments, oral presentations, and the final paper are attached at the end of the syllabus.

**Exams:** The midterm and final will be closed book and closed note exams. Calculators will not be needed and are not allowed. The final exam will be comprehensive. Make-up exams will not be considered except for legitimate and documented reasons. If you miss an exam without my approval, you will receive a score of zero.

**Late Policy:** You are expected to meet the deadlines for the assignments and paper. In the event that you do not meet the deadline, and you turn in the paper one day late, you will lose 50% of the possible points. After that you will receive zero points.

**Academic Dishonesty:** Plagiarism, fabrication, cheating, and facilitating the academic dishonesty of others are serious offenses and may be punished by failure on the exam or project, failure in the course, and/or expulsion from the university. Refer to the *Schedule of Classes* for more information on academic dishonesty. Regarding plagiarism, see [http://osu.orst.edu/admin/stucon/plag.htm](http://osu.orst.edu/admin/stucon/plag.htm).

**Disruptive Behavior:** Behaviors that are disruptive to teaching and learning will not be tolerated, and will be referred to the Student Conduct Program for disciplinary action. Behaviors that create a hostile, offensive or intimidating environment based on gender, race, ethnicity, color, religion, age, disability, marital status or sexual orientation will be referred to the Affirmative Action Office.

**Disabilities:** If you have a documented disability which requires special arrangements, please inform me the first week of classes. To obtain university documentation for your disability, contact Services for Students with Disabilities at 541-737-4098, TDD: 503-737-3666, or e-mail: Tracy.Bentley@orst.edu.
Course Outline and Reading List

Week(s)

1-2 Part 1 – The Role of Public Policy

1.1 Introduction

1.2 Efficiency and Equity – Welfare Economics

1.2.1 Equilibrium and Efficiency


1.2.2 Equity

- Katz and Rosen, 422-426.
- Pindyck and Rubinfeld, pp. 591-593.

1.3 When Should the Government Intervene?

- Pindyck and Rubinfeld, pp. 607-610.

3-4 Part 2 – Tools of Analysis

2.1 Cost-Benefit Analysis


2.2 Introduction to Regression Analysis


5 Oral Presentations, Monday ... and Wednesday ....

6 Midterm Exam, Monday ......
Course Outline and Reading List (continued)

Week(s)

Part 3 – Selected Policy Issues

6-7  3.1  Policies to Alleviate Poverty

3.1.1  Minimum Wages and Living Wages


3.1.2  Traditional Welfare and the Earned Income Tax Credit

- Ehrenberg and Smith, pp. 170-189.


8  3.2  Policies Aimed at Special Populations

3.2.1  The Disabled and the Americans with Disabilities Act

<table>
<thead>
<tr>
<th>Week(s)</th>
<th>Course Outline and Reading List (continued)</th>
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<tbody>
<tr>
<td>8</td>
<td>3.2.2 Selected Policies Affecting Youth</td>
</tr>
<tr>
<td>9</td>
<td>3.3 Externalities and Public Goods</td>
</tr>
<tr>
<td></td>
<td>3.3.1 Smoking</td>
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<td></td>
<td>• Pindyck and Rubinfeld, pp. 641-669.</td>
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<tr>
<td></td>
<td>3.3.2 Traffic Congestion, Drunk Driving and Accident Rates</td>
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<tr>
<td>9</td>
<td>Paper Due, Wednesday, ...................</td>
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<tr>
<td>10</td>
<td>Oral Presentations, Monday and Wednesday, ...........</td>
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<td>F</td>
<td>Final, date and time, regular classroom</td>
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Helpful Resources


Assistance with outlining and writing is provided by the Writing Center [http://cwl.oregonstate.edu/twc.html](http://cwl.oregonstate.edu/twc.html). You can make an appointment to discuss your writing with a peer Writing Assistant, make use of the Online Writing Lab at [http://cwl.oregonstate.edu/owl.php](http://cwl.oregonstate.edu/owl.php), or get online answers to brief writing questions at writingQ@mail.orst.edu. For additional writing sources see [http://oregonstate.edu/cla/english/resources](http://oregonstate.edu/cla/english/resources) and [http://www.dartmouth.edu/~writing/materials/student/toc.shtml](http://www.dartmouth.edu/~writing/materials/student/toc.shtml).


For more information on Public Policy, see