AEC 434 Final Project: Using economic research to infer costs and benefits

Project:

The final project in this class is to convert a completed program evaluation, impact analysis, or cost-effectiveness analysis into a benefit-cost analysis. The goal of the project is to produce an 8-10 double-spaced page memo (2000-2500 words) for a policymaker who is not an economist or benefit-cost expert, but needs to make a decision about whether or not the policy/program that you are analyzing should be pursued. Sources are not included in the page/word count. All sources must be cited in author/date format within the text, using the Chicago style, author-date format.

Learning objectives: By completing this project, you will achieve learning objectives related only to this class, objectives that are part of the EEP major in AEC, and objectives prescribed by the WIC committee. These are:

- [EEP goal 1 (SLO 2)]: Analyze natural resource and environmental management issues, including the management of specific resources (such as fishery, forests, land and water), by applying economic theory and tools
- [EEP goal 2 (SLO 4)]: Communicate the process and results of economic analysis of environmental and natural resource issues through a variety of oral and written methods.
- [WIC goal 2]: Demonstrate knowledge/understanding of audience expectations, genres, and conventions appropriate to communicating in the discipline. (WIC goal 2)
- [WIC goal 3]: Demonstrate the ability to compose a document of at least 2000 words through multiple aspects of writing, including brainstorming, drafting, using sources appropriately, and revising comprehensively after receiving feedback on a draft. For more on WIC see: http://oregonstate.edu/ctl/writing-intensive-curriculum

The project has six deliverables: identifying a topic; finding and annotating sources; providing a detailed outline for the paper; writing the paper; presenting the final project/paper; revising the paper before final submission. The descriptions below are intended to help you see the bigger picture of how your project will develop over the course of the term. I will provide more details on each assignment as they come up in the syllabus.

Deliverable 1: Topic choice (week 2):

Select a study from the available sources. Read the study and write a rhetorical précis about its findings. Define the policy or intervention related to this study that you intend to analyze. You *must* choose an impact evaluation upon which to base your analysis. I would like you to restrict your choices to the following sources:
• **3ie repository of impact evaluations**: 3ie is a major funder of impact evaluations around the world, and they have collected both their own and other people’s impact evaluations in a handy, searchable online repository. Although their focus is on low income countries, there are also US and European evaluations in their database. [http://www.3ieimpact.org/evidence-hub/impact-evaluation-repository](http://www.3ieimpact.org/evidence-hub/impact-evaluation-repository)

• **Jameel Poverty Action Laboratory**: J-PAL conducts research on programs to reduce poverty around the world. These are largely program evaluations that include estimates of cost-effectiveness, which could be converted into benefit-cost analyses in many cases. See: [https://www.povertyactionlab.org/evaluations](https://www.povertyactionlab.org/evaluations)

**Deliverable 2: Annotated sources and brief outline (week 4):**

For this deliverable, you need to have a brief outline (i.e., first level organization) of your project, and within each of the sections, a potential source. For each source, write a brief description of the information that it will contribute to your study.

**Deliverable 3: Detailed outline (week 6):**

This is an expansion of the brief outline. The objective is to start transforming the sketch into a paper. Refer to the 9 steps of conducting a CBA and use this process to inform elements of your outline (what are the impacts? How will you monetize impacts? What economic models will you apply, what assumptions might need to be sensitivity tested?). In particular, you should include in your outline a list of the various costs and benefits that should be part of your discussion, and how they might be measured.

**Deliverable 4: First Draft of Paper (week 8):**

This draft should include all the parts of the final paper. You may also include questions on which you’d like guidance from the professor; when you do so please highlight your questions so they are easy to detect and tell apart from your writing. While this is not graded, it is a requirement for the course and should be turned in on time. The purpose is to help you stay on track and get feedback to create a better final paper and presentation. Elements that should be included in this draft are:

- An introduction relating the case at hand and the topic you chose. It will be the background for the case and frame the objective of the paper.
- A thoughtful analysis of the benefits, costs and conclusions that you draw from your work. Try to avoid economic jargon, but make sure that you explain to the reader enough of your assumptions and framework to make them believe that you are rigorous.
- A reference list. Use Chicago Style, author-date citations. Do NOT include references reviewed but not specifically cited in the proposal content.

**Deliverable 5: Final Presentation (Dead week):**

You will give a 15 minute presentation of your project to the entire class in week 10. Make
sure to include some visuals on your slides (illustrations, graphs, images).

**Deliverable 6: Final Paper (June 7, in my mailbox in Ballard Hall, room 206):**

You will prepare a competent analysis, using economic concepts and tools. The audience for this final product is an intelligent policymaker who may or may not have had an intro to microeconomics course. Focus on writing thoughtfully and clearly on the topic. Further details on the expectations and grading of the final paper will be forthcoming!
Deliverable 1 for AEC 434 Final Project: Choose your topic
Due April 10 at the beginning of class, on paper, when you walk in the room.

Recall:
The final project in this class is to convert a completed program evaluation, impact analysis, or cost-effectiveness analysis into a benefit-cost analysis. The goal of the project is to produce an 8-10 double-spaced page memo (2000-2500 words) for a policymaker who is not an economist or benefit-cost expert, but needs to make a decision about whether or not the policy/program that you are analyzing should be pursued.

Purpose of deliverable 1:
To choose a topic.

What to hand in:
Your topic is the policy or program about which you will write your paper. For this first deliverable, you need to produce two things:
1. A sentence that describes your policy or program
2. A rhetorical precis (defined below) that summarizes an impact analysis that you found from one of the sources below. This impact analysis is the first step in figuring out the benefits of your policy of interest.

This entire assignment should fit on one page, using 12 point font and double spacing.

Things to keep in mind:
At the end of this project, you will need to have described how this policy works, figured out who gains and loses in society, what the scope of these gains and losses are, and how big they might be. You don’t have to have measured every single component of the benefits and costs, but you will have to discuss what they are, and, to the extent possible, quantified them in order to make a recommendation about whether or not the policy should be implemented/continued/broadened, etc.

Select a study from the sources below. You may go outside of these sources if you find a really awesome impact analysis from somewhere else and have my approval. However, I encourage you to browse these repositories. There are a lot of options there.

- 3ie repository of impact evaluations: 3ie is a major funder of impact evaluations around the world, and they have collected both their own and other people’s impact evaluations in a handy, searchable online repository. Although their focus is on low income countries, there are also US and European evaluations in their database.
  http://www.3ieimpact.org/evidence-hub/impact-evaluation-repository
• **Jameel Poverty Action Laboratory:** J-PAL conducts research on programs to reduce poverty around the world. These are largely program evaluations that include estimates of cost-effectiveness, which could be converted into benefit-cost analyses in many cases. See: [https://www.povertyactionlab.org/evaluations](https://www.povertyactionlab.org/evaluations)

**What is a rhetorical précis?**

A rhetorical précis offers a short account of an article that does more than summarize the content. The rhetorical précis, which is four sentences long, accounts for the author and his or her main assertion, the way the author develops or supports the thesis, the author’s purpose in writing (how she wants to change her audience), and a description of the intended audience and relationship the author establishes with the audience.

Sentences:
1. Name or author, genre and title of work, date in parentheses; a rhetorically accurate verb (such as “assert,” “argue,” “suggest,” “imply,” “claim,” etc.); and a THAT clause containing the major assertion (thesis statement) of the work.
2. An explanation of how the author develops and/or supports the thesis.
3. A statement of the author’s apparent purpose, followed by an “in order” phrase.
4. A description of the intended audience and/or the relationship the author establishes with the audience.

Taken from Woodworth, Margaret K. “The Rhetorical Précis” Rhetoric Review (Fall 1988)

**Sample:**

Douglas Park, in his essay “Audiences” (1994), suggests that teaching audience is an essential but elusive aspect of teaching writing. Park develops this idea by exploring different definitions of audience, looking at how a text itself can delineate an audience, and then discussing specific strategies writers can use to create contexts for audience. His purpose is to help teachers of writing understand and teach the different aspects of audience in order that they can help students improve the sense of audience in their writing. Park establishes an informal relationship with teachers who are interested in strengthening their students’ weak writing.
Deliverable 2 for AEC 434 Final Project: Make a brief outline  
Due April 22 at the beginning of class, on paper, when you walk in the room.

Recall:
The final project in this class is to convert a completed program evaluation, impact analysis, or cost-effectiveness analysis into a benefit-cost analysis. The goal of the project is to produce an 8-10 double-spaced page memo (2000-2500 words) for a policymaker who is not an economist or benefit-cost expert, but needs to make a decision about whether or not the policy/program that you are analyzing should be pursued.

Purpose of deliverable 2:  
**Find sources and begin organizing your ideas**

What to hand in:  
An outline 3 pages in length or less.  Your outline should have a statement on the top that says what the purpose of your analysis is and cites the impact analysis that you are using as the center of your argument. An example of such a statement might be:

“Would a policy that hands out free bednets to women in Kenya generate net benefits to the country?”


You need to have a brief outline (i.e., first level organization) of your project, and within each of the sections, at least one potential source. For each source, write a brief description of the information that it will contribute to your study. In addition to your impact analysis, you should have at least 4 sources within the outline. All sources must be cited in author/date format within the text, using the **Chicago style**, author-date format.

Things to keep in mind:  
At the end of this project, you will need to have described how this policy works, figured out who gains and loses in society, what the scope of these gains and losses are, and how big they might be. You don’t have to have measured every single component of the benefits and costs, but you will have to discuss what they are, and, to the extent possible, quantified them in order to make a recommendation about whether or not the policy should be implemented/continued/broadened, etc.
Deliverable 3 for AEC 434 Final Project: Make a detailed outline
Due May 8 at the beginning of class, on paper, when you walk in the room.

Recall:
The final project in this class is to convert a completed program evaluation, impact analysis, or cost-effectiveness analysis into a benefit-cost analysis. The goal of the project is to produce an 8-10 double-spaced page memo (2000-2500 words) for a policymaker who is not an economist or benefit-cost expert, but needs to make a decision about whether or not the policy/program that you are analyzing should be pursued.

Purpose of deliverable 3:
Flesh out ideas and fill in any missing sources

What to hand in:
An outline 5 pages in length or less. As before, your outline should have a statement on the top that says what the purpose of your analysis is and cites the impact analysis that you are using as the center of your argument.

You need to have a detailed outline (i.e., first and second level organization) of your project, and within each of the subsections, at least one potential source. Here you should start filling in the pieces of your analysis. This might include some simple calculations for impact of your policy, a list of the potential benefits and costs and what markets they might be measured in, sources for where you will obtain these benefits and costs, thoughts about the population that will have standing in your analysis, what kind of discounting you might need to use, etc. MIT has kind of a nice example of a detailed outline here. All sources must be cited in author/date format within the text, using the Chicago style, author-date format.

Things to keep in mind:
At the end of this project, you will need to have described how this policy works, figured out who gains and loses in society, what the scope of these gains and losses are, and how big they might be. You don’t have to have measured every single component of the benefits and costs, but you will have to discuss what they are, and, to the extent possible, quantified them in order to make a recommendation about whether or not the policy should be implemented/continued/broadened, etc.
Deliverable 4 for AEC 434 Final Project: first draft
Due May 22 at the beginning of class, on paper, when you walk in the room.

Recall:
The final project in this class is to convert a completed program evaluation, impact analysis, or cost-effectiveness analysis into a benefit-cost analysis. The goal of the project is to produce an 8-10 double-spaced page memo (2000-2500 words) for a policymaker who is not an economist or benefit-cost expert, but needs to make a decision about whether or not the policy/program that you are analyzing should be pursued.

Purpose of deliverable 4:
Write your paper

What to hand in:
An 8-10 page doubled spaced memo (2000-2500 words) for a policymaker who is not an economist or benefit-cost expert, but needs to make a decision about whether or not the policy/program that you are analyzing should be pursued. Sources are *not* included in the word count.

This draft should include all the parts of the final paper. You may also include questions on which you’d like guidance from the professor; when you do so please highlight your questions so they are easy to detect and tell apart from your writing. While this is not graded, it is a requirement for the course and must be turned in on time. The purpose is to help you stay on track and get feedback to create a better final paper and presentation. Elements that should be included in this draft are:

- An introduction relating the case at hand and the topic you chose. It will be the background for the case and frame the objective of the paper.
- A thoughtful analysis of the benefits, costs and conclusions that you draw from your work. Try to avoid economic jargon, but make sure that you explain to the reader enough of your assumptions and framework to make them believe that you are rigorous.
- A reference list. Use Chicago Style, author-date citations. Do NOT include references reviewed but not specifically cited in the proposal content.
Deliverable 5 for AEC 434 Final Project: Presentation
Email your slides to me by 1 pm on June 3.

Recall:
The final project in this class is to convert a completed program evaluation, impact analysis, or cost-effectiveness analysis into a benefit-cost analysis. The goal of the project is to produce an 8-10 double-spaced page memo (2000-2500 words) for a policymaker who is not an economist or benefit-cost expert, but needs to make a decision about whether or not the policy/program that you are analyzing should be pursued.

Purpose of deliverable 5:
To present your results in a coherent fashion

What to hand in:
You will need to send me your powerpoint presentation before the beginning of the first day of presentations. You will have 10 minutes to present your slides. Therefore, you should have a maximum of 5 slides. Your slides should have the following content, preferably in the following order:

1. Title of your project and your name
2. The policy or project that is the subject of your benefit-cost analysis. In this slide, you should describe the policy, what it is intended to do, who is affected, etc. Talk about standing and the time frame of your analysis here. Choose your discount rate.
3. Benefits: what are the benefits of this policy, and where and how did you measure them. End with an assessment of the total discounted benefits.
4. Costs: what are the costs of this policy and where and how did you measure them. End with an assessment of the total discounted costs.
5. Conclusion: what is your estimated NSB from this policy? Do you have reasons to think that you might have over or under estimated features of the benefits or costs? Do you recommend the expansion or retention of this policy or program?

What to do:
You need to deliver your presentation within 10 minutes. 10 minutes is a very short time period, so you should practice your presentation at home, either in front of the mirror, in front of your roommates, or in front of your dog. Time yourself. Be sure to breathe as you present. People will also have five minutes to ask you questions after your presentation.
Deliverable 6 for AEC 434 Final Project: The final paper
Put your final paper in my mailbox by Friday, June 7 at 4:30 pm

Recall:
The final project in this class is to convert a completed program evaluation, impact analysis, or cost-effectiveness analysis into a benefit-cost analysis. The goal of the project is to produce an 8-10 double-spaced page memo (2000-2500 words) for a policymaker who is not an economist or benefit-cost expert, but needs to make a decision about whether or not the policy/program that you are analyzing should be pursued.

Purpose of deliverable 6:
This is your final paper. It should contain a clear and concise benefit-cost analysis of the project that you chose. The overarching purpose is to show facility in writing within the discipline in economics.

What to hand in:
1. The final, printed copy of your analysis using 12 point Times New Roman font and double spacing.
2. The draft version that I gave back to you, including my comments (i.e., do not print out a clean copy)

Please staple these two things together, and indicate on the first page whether or not you will be wanting the final copy of your paper back. If you indicate that you do not want this version returned to you, I will not spend time writing comments on it.

Your final copy must include properly cited sources. I also expect that it will integrate comments from your first draft. Please proofread your final paper before you hand it in.