

**Fundamentals of Policy Analysis**  
**PPA 897**  
**Spring 2012**

**John McPeak**  
215F Eggers Hall  
Office phone: 443-6146  
Webpage: <http://faculty.maxwell.syr.edu/jomcpeak/>  
e-mail: [jomcpeak@maxwell.syr.edu](mailto:jomcpeak@maxwell.syr.edu)  
Office Hours: M W 10:30-12:00

**Fundamentals of Policy Analysis**

**Course Description and Objectives:** This course is designed to get you to think about what situations call for public sector policy, and what principles should guide the formulation of the policies in these situations. Since both formulating and predicting the outcomes of policies relies heavily on basic principles of microeconomics, we will spend the first half of the class going over the fundamentals of microeconomic theory as they apply to policy analysis. A second portion of the course begins with a focus on the policy analysis process, including recognition of the multiple objectives commonly sought from public policies, and illustrates how the rational policy analysis model can be used to evaluate alternative policy instruments. The third portion of the course focuses on cost-benefit analysis as one technique for systematically analyzing the effects of potential policies.

As experienced public managers, it is unlikely that you will move into a policy analysis position; however, it is highly likely that you are or will be a consumer of what such analysts produce. Thus, a primary objective of this course is to make you a more informed consumer. The course should also help prepare you for certain other policy-oriented courses you may wish to include in your program of study.

This course does not focus on specific policy areas, except as examples. Instead, the course focuses on the tools of policy analysis that should help you in your particular area of interest, e.g., health policy, social policy, environmental policy, etc. This course also will not focus on the politics of the policy process. While clearly policy formulation and analysis takes place within the context of a political process we wish to focus more on the justification, analysis, and design aspects of policy. This course is meant to complement a more detailed analysis of the politics of policy in other courses.

**Requirements and Evaluation:** The class sections will be modified lecture format. That is, I will lecture but also will expect active participation by everyone in the class. To help insure that you are keeping up in the material, a number of short problem sets will be given. There will be one exam in the course written during the regular class session, hence you are required to take it when scheduled and one final at the end of the semester.

The other major activity in the course is a “Policy Analysis Project.” Students will work in (self-formed) teams of up to four members to prepare a detailed analysis of a particular policy analysis issue along the lines elaborated upon in the Wiemer and Vining textbook. The team must find information helping to identify the problem (or problems), discuss possible options (thinking creatively about options not presently being considered), outline in detail a method (or methods) for examining these options and your decision criteria for selection of the best option, and implementation factors that should be considered in design. A fuller discussion of this assignment will be forthcoming. The “Statement of the problem/data sources” is due on **February 22**. The final paper will be due on **May 2nd**. The team will also make a formal oral presentation of their findings and recommendations.

To make the experience a bit more “realistic” you will be assigned to serve on a “client” or “reaction” team. Once the papers are handed in, they will be distributed to the team of clients. These clients will then have the opportunity to review the analysis and question the project team and react to their recommendations. The analysis team will then be expected to defend their findings.

The following weights will be used to determine your course grade:

Mid-term Exam	25%
Policy Analysis Project	
Written Report	30% (25% as team grade; 5% based on peer evaluation)
Oral presentation	5%
Reaction as Client	5%
Problem sets	10%
Final Exam	25%

**Text:**

Weimer, David and Aidan Vining, *Policy Analysis: Concepts and Practice*, Fourth Edition, Englewood Cliffs, NJ: Prentice Hall, 2005.

**Reader:** A reader for many of the readings is available at “The Copy Center” in Marshall Square Mall (720 University Ave). The reader number will be announced in class.

**Reader Entries:**

Perloff, Jeffrey M. *Microeconomics*  
 Katz, Michael L. and Harvey S. Rosen, *Microeconomics*  
 Pindyck, Robert S. and Daniel L. Rubinfeld, *Microeconomics*  
 Gruber, Jonathan *Public Finance and Public Policy*

## Schedule<sup>1</sup>

<b><u>Date</u></b>	<b><u>Topic and Assignments</u></b>
Jan 18, 23	Introduction to rational policy analysis (W&V, Ch. 2)
Jan 25	Ethical issues in a policy environment (W&V, Ch. 3)
Jan 30	Microeconomics of markets 1 (Perloff, pp. 13-42)
Feb 1	Microeconomics of markets 2 (Perloff, pp. 46-55)
Feb 6	Microeconomics of markets 3 (Perloff, pp. 74-96)
Feb 8	Market economics (Katz and Rosen, pp. 235-286)
Feb 13	Market economics (W&V, Ch. 4)
Feb 15	Market failures 1 (W&V, Ch. 5; Pindyck and Rubinfeld, Ch. 18)
Feb 20	Market failures 2 (W&V, Ch. 5; Pindyck and Rubinfeld, Ch. 17)
Feb 22	Market failures 3 (W&V, Ch. 5; Pindyck and Rubinfeld, Ch. 17)
Feb 27	Other limits to the competitive framework (W&V, Ch. 6)
Feb 29	Review and catch-up (if necessary)
Mar 5	Exam
Mar 7	Distributional and other goals 1 (W&V, Ch. 7)
Spring Break	
Mar 19	Distributional and other goals 2 (W&V, Ch. 7)
Mar 21	Limits to public intervention 1(W&V, Ch. 8)
Mar 28	Limits to public intervention 2 (W&V, Ch. 8)
Mar 26	Correcting market and government failure 1 (W&V, Ch. 10)
Mar 28	Correcting market and government failure 2 (W&V, Ch. 10)
Apr 2	Correcting market and government failure 3 (W&V, Ch. 10 and 9)

---

<sup>1</sup> Adjustments can and will be made to this schedule as necessary.

Apr 9	Confronting policy problems 1 (W&V, Ch. 14)
Apr 11	Cost-benefit analysis 1 (W&V, Ch. 16; Gruber, Ch. 8)
Apr 16	Cost-benefit analysis 2 (W&V, Ch. 16; Gruber, Ch. 8)
Apr 18	Cost-benefit analysis 3 (W&V, Ch. 16; Gruber, Ch. 8)
Apr 23	First set of group presentations
Apr 25	Second set of group presentation
Apr 30	Wrap up / review

Final TBA

### **Disability Statement**

If you believe that you need accommodations for a disability, please contact the Office of Disability Services(ODS), <http://disabilityservices.syr.edu>, located in Room 309 of 804 University Avenue, or call (315) 443-4498 for an appointment to discuss your needs and the process for requesting accommodations. ODS is responsible for coordinating disability-related accommodations and will issue students with documented disabilities Accommodation Authorization Letters, as appropriate. Since accommodations may require early planning and generally are not provided retroactively, please contact ODS as soon as possible.

### **Academic Integrity**

The Syracuse University Academic Integrity Policy holds students accountable for the integrity of the work they submit. Students should be familiar with the Policy and know that it is their responsibility to learn about instructor and general academic expectations with regard to proper citation of sources in written work. The policy also governs the integrity of work submitted in exams and assignments as well as the veracity of signatures on attendance sheets and other verifications of participation in class activities. Serious sanctions can result from academic dishonesty of any sort. For more information and the complete policy, see the [Academic Integrity Policy and Procedures \(PDF\)](#).

Note, your work on the group paper will be assigned a group grade. If there is plagiarized material in the group paper, the whole group will suffer the consequences. Make sure all work turned in by your group passes the academic integrity test as a group before you turn it in.