

Policy Analysis: Policy Design

SSA 455

FALL 2005

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COURSE OBJECTIVES

Out there in the real world, people are trying to answer the question: “What is to be done?” The main purpose of this course is to provide students with general approaches for asking and answering that question in the policy world. Through the application of diverse and often conflicting perspectives, we will think critically about how to define public policy problems and design public policy to solve (or alleviate) such problems. Although we will consider several key components of the policy analysis process--problem definition, construct policy design alternatives, select criteria to evaluate alternatives, and confront the trade-offs—we will devote the bulk of the course to thinking about how to construct various policy designs and how to use various criteria to evaluate policy alternatives.

COURSE REQUIREMENTS

As an individual project, students will write a policy analysis on a topic of their choosing. The policy analysis will be completed as a sequence of three drafts, which will build on one another into a final policy position paper. Each student is also expected to have a command of the readings prior to class, and to engage actively in class discussion. The basic components of the course – readings, written assignments, class discussions – are designed to complement each other. All these components are required.

Grading Policy

Individual Policy Analysis	
Assignment #1:	10%
Assignment #2:	20%
Assignment #3:	30%
Final Paper:	40%
Class Participation**:	Will make or break a borderline grade

Due Dates:

#1: Problem Statement	October 11
#2: Construct Alternatives	November 1
#3: Evaluate Alternatives	November 22
Final Decision Analysis Paper	December 6

** Each class students are expected to come to class with an example (in writing) of the policy construct (covered that day) applied to their particular policy problem. For example, if you chose to write about the problem of access to early childhood education (ages 0-4), then in week 2 you should come to class with an example of how you define that social problem and an example of how we might use a policy regulation to address the problem of early childhood education. You can draw on existing regulation in this area and tweak it or design your own. Similarly, during weeks 7 through 9, students are expected to come to class with a detailed example of how you defined the benchmarks (or set of criteria) and applied them to your particular policy problem to evaluate your policy design alternatives. For example, in week 7, you should detail how you define benchmarks for equity to evaluate your three policies designed in the previous 5 weeks. In other words, benchmarks designed to address equitable access to early childhood education should answer the following questions: Should every child age 0-4 have access to “free” (government subsidized) early childhood education? Or, should only children from families in financial need (how defined?) have access to subsidized early childhood education? Justify why you define equity in this way. Finally, in week 10, be prepared to show us your trade-off table for discussion. **DON'T WORRY ABOUT THE PROSE**, the purpose of this assignment is to get you thinking about the readings and applying them to your particular problem, and to give you an opportunity to share and explore your ideas in class.

Readings

Required Books for Sale at Seminary Coop on University Ave. and 58th Street:

1. Stone, Deborah. 1997. Policy Paradox: The Art of Political Decision-Making (Norton & Co.) Second Edition.
2. Bardach, Eugene. 2000. A Practical Guide to Policy Analysis: The Eightfold Path to More Effective Problem Solving (Chatham House Publishers).
3. Salamon, Lester M. Ed. 2002. The Tools of Government: A Guide to the New Governance (Oxford University Press).

Selected book chapters and journal articles for Sale at SSA Production Room.

Outline of Course

I. Introduction	
Policy Analysis/Defining Policy Problems	Sept 27
II. Construct Policy Alternatives	
Policy Constructs and Tools	Oct 4
Construct #1: Establishing Rules and Regulations	
Construct #2: Using Subsidies and Taxes to Alter Incentives	Oct 11*
Construct #3: Government Supply of Goods	
--Direct Supply	Oct 18
--Contracting Out	
Construct #4: Providing Insurance and Cushions	Oct 25
Construct #5: Change Decisionmaking Process/ Provide Information	Nov 1*
III. Evaluate Policy Alternatives	
Criteria I: Equity	Nov 8
Criteria II: Liberty (Freedom, Choice, Coerciveness)	Nov 15
Criteria III: Implementability/Automaticity	
Criteria IV: Political Stability/Democratic Responsiveness	Nov 22*
IV. Conclusion	
Confront Trade-offs	Nov 29
Deadline for Final Policy Position Paper	Dec 6*
* Due dates for Assignments	

Class Schedule and Readings

I. Introduction and Problem Definition

Sept 27

Doing Policy Analysis

Bardach, Eugene. 2000. A Practical Guide to Policy Analysis: The Eightfold Path to More Effective Problem Solving (Chatham House Publishers).

Defining Public Policy Problems

Stone, Deborah. Policy Paradox, chapter 8, Causes, pp. 188-209; chapter 7, Numbers, pp. 163-187.

II. Designing Public Policy/Constructing Alternatives

Oct 4

Part I: The Tools of Government (or Generic Policy Solutions)

Salamon, Chapter 1 “The New Governance and the Tools of Public Action” by Salamon, pp.1-47.

Part II: Design Construct #1: Establishing Rules and Regulations

Salamon, Chapter 5 “Social Regulation” by Peter J. May, pp. 156-185.

Salamon, Chapter 7 “Public Information” by Janet A. Weiss, pp. 217-254.

Stone, Chapter 12, “Rules” pp.282-302.

Oct 11

Design Construct #2: Using Subsidies and Taxes to Alter Incentives

Salamon, Chapter 13 “Tax Expenditures” by Christopher Howard, pp.410-444.

Salamon, Chapter 14, “Vouchers” by Steuerle and Twombly, pp. 445-465.

Stone, chapter 11 “Inducements” pp. 263-281.

Other Policy Tools in this Construct NOT COVERED IN CLASS (supplementary reading)

Salamon, Chapter 11 “Grants” by David R. Beam and Timothy J. Conlan, pp. 340-380;

Salamon, Chapter 12 “Loan and Loan Guarantees” by Thomas Stanton, pp. 381-409.

******* Problem Definition Assignment #1 Due *******

Oct 18

Design Construct #3: Government Supply of Goods

Direct Supply--skip

Glance at: Salamon, Chapter 2, “Direct Government” by Christopher K. Leman, pp. 48-79.

Government Contracting (also called Privatization)

Salamon, Chapter 9, “Contracting” by Steven Kelman, pp. 282-318.

Salamon, Chapter 10, “Purchase-of-Service Contracting” by DeHoog and Salamon, pp. 319-339.

Salamon, Chapter 16, “Managing Indirect Government” by Don Kettl, pp. 490-510.

Salamon, Chapter 18, “Accountability Challenges of Third-Party Government” by Paul Posner, pp. 523-551.

Oct 25

Design Construct #4: Insurance and Cushions

Salamon, Chapter 6, “Government Insurance” by Ron Feldman, pp.186-216.

Graetz, Michael J. and Jerry L. Mashaw. 1999. True Security: Rethinking American Social Insurance (Yale University Press), Part I: Understanding Social Insurance, pp. 1-68.

Nov 1

Design Construct #5: Change Decisionmaking Process

Salamon, Chapter 19, “The Politics of Tool Choice” by Guy Peters, pp.552-564.

Salamon, Chapter 20, “Policy Tools and Democracy” by Smith and Ingram, pp.565-584.

Handler, “Part II: The View From Below: Empowerment by Invitation, Empowerment through Conflict,” chapters 5-7, pp. 115-215.

Stone, chapter 15, “Powers” pp. 351-372.

*******Construct Alternatives Assignment #2 Due*******

III. Evaluate Alternatives

Nov 8

Criteria I: Equity

Stone, chapter 2, pp. 39-60.

Amartya Sen, 1992. Inequality Reexamined (Harvard University Press) pp. 1-30.

Daniels, Norman, Donald Light and Ronald Caplan. 1996. Benchmarks of Fairness for Health Care Reform (Oxford University Press) chapter 1 pp. 3-14; chapter 3 pp. 35-70; chapter 5 pp. 99-134.

Nov 15

Criteria II: Liberty/Choice

Stone, chapter 5, pp. 108-130.

Mead, Lawrence M. 1997. *The new paternalism: supervisory approaches to poverty* (Brookings) chapter 1 and chapter 3.

Goodin, Robert E. 1988. *Reason for Welfare* (Princeton University Press) chapter 11, pp. 306-331.

Nov 22

Criteria III: Automaticity and Implementability

Weimer and Vining, "Thinking Strategically about Adoption and Implementation," Chapter 13, pp. 382-416.

Criteria IV: Political Stability and Democratic Responsiveness

Skocpol, Theda. 1995. "Targeting within Universalism: Politically Viable Policies to Combat Poverty in the United States." In Skocpol, T. *Social Policy in the United States: Future.*

Grogan, C.M. and E. Patashnik. 2003. "Universalism within Targeting: Nursing Home Care, the Middle Class, and the Politics of the Medicaid Program" *Social Service Review*.

Schneider, Anne Larson and Helen Ingram. 1997. *Policy Design for Democracy* (Kansas University Press) chapter 5, pp. 102-149.

Graetz and Mashaw, chapter 15, pp. 306-317.

*******Evaluate Alternatives Assignment #3 Due*******

Nov 29

Confront Trade-offs

Weimer and Vining, chapter 8, “Landing on Your Feet: How to Confront Policy Problems,” pp. 201-258; Appendix 10A, “Gathering and Organizing the Data, Facts, and Evidence,”

Stone, chapter 10, “Decisions,” pp. 232-256; “Conclusion: Political Reason,” pp. 373-380.

[Optional: Goodin, chapter 3, pp. 51-69.]

Dec 6 -- FINAL EXAM WEEK – POLICY POSITION PAPER DUE

Assignment 1: Problem Definition / Present Policy Alternatives (10%)

Begin by selecting a policy issue that you will address throughout this course. Draft a 2-3 page (double-spaced) problem statement that clearly defines the problem and demonstrates why it should be on the public agenda (i.e. why it is important for government to address). This will generally include a description of the problem that needs to be solved. You might use indicators and other data to convince people that this is a social problem worthy of public attention (and action). Why is this a problem? Why has this occurred (or is increasing)? As Stone points out, it is often helpful to tell a causal story: which causal factor is most important (or which causal factor is public policy most able to solve)? What data can you use to demonstrate that this is a problem? What goals should policy achieve? *See outline for problem statement below.*

This assignment is due Oct 11th

Assignment 2: Present Policy Alternatives (20%)

This assignment should be about 8 pages (double-spaced) including revisions of problem statement, as well as a description (and defense) of the policy alternatives. Besides revising assignment #1, conduct a literature review to help you design **three** policy alternatives to address your policy problem. The policy alternatives should be the best possible solutions to the problem within three different design constructs (covered in class). There usually won't be one clear cut policy solution to a problem. Almost all policy designs have positive and negative aspects. This part of the assignment should be about five pages (double-spaced). The total of both parts together should be about 8 pages. In addition, attach a bibliography which identifies the pertinent literature and data sources that you used in your analysis.

This assignment is due Nov 1st

Assignment 3: Evaluate Alternatives (Assemble Evidence) (30%)

This assignment should be about 15 pages (double-spaced) including revisions of problem statement and descriptions of policy alternatives, as well as an evaluation of the policy alternatives. Besides revising assignment #1 and #2, for this assignment you will need to create benchmarks for the following criteria discussed in class: equity, liberty, and automaticity/administrative complexity (hold off on implementability). See Daniels et al. for specific examples of benchmarks. See Stone and Sen for thinking about specific equity distributions (Equal what? Equal who? Equal how?). See Stone and Goodin for thinking specifically about positive and negative liberty. To evaluate your policy alternatives using the benchmarks you create, you will need to identify, locate and collect relevant studies to provide evidence to backup your evaluation. As with the previous assignments, you should provide a complete list of sources you present. This assignment is very hard. It is also the crux of what people generally call "policy analysis." (If, by the time you read this, you expect to simply throw something together at the last minute, you are in deep trouble.)

This assignment is due Nov 22nd

Final Decision Analysis Paper (40%)

The final paper for the course requires you to prepare a report (about 20 pages, double-spaced) based on your earlier assignments. This report should:

- a) Describe and define the problem
- b) Provide the best possible alternative solutions to your policy problem
- c) Present benchmarks and use them to evaluate the alternative solutions
- d) Provide recommendations for action.

Besides revising assignment #1, #2 and #3 for this assignment, you will need to create additional benchmarks for the following criteria discussed in class: implementability and political stability. For implementability you need to add benchmarks around the organizational and/or ideological barriers to implementing policy. See Weimer and Vining for specific directions for creating benchmarks in this area using forward mapping. For political stability benchmarks, see Schneider and Ingram's typology to help identify where your target population lies. If your target population is the same across your policy alternatives, you want to analyze the political stability of your policy designs. For this use Skocpol; Grogan and Patashnik; and go back to Salamon (chapter 19).

My expectation is this report will reveal your best work and should meet the standards for professional writing and analysis. The writing, editing, style, organization, logic and analysis should be exemplary.

The paper must be submitted by Dec 6th

Important Overview Comments about Policy Position Paper!

- The three policy alternatives should be **alternatives!** In the past, some students have created policies as incremental steps to a larger comprehensive reform. That is NOT our purpose. I want you to understand the different ways in which we can try to solve the same problem, consider the strengths and weaknesses of each approach (by using the criteria to evaluate) and grapple with the trade-offs.
- Figure out in the problem statement who the principle is/who is your audience? Are these policy alternatives for an agency? For state government? The federal government?
- Hold off on evaluation of policy designs until assignment #3.
- Put aside questions of finance/budget. Think about it this way: some policymaker comes to you saying: “it turns out we have some money this year to do something about problem y, what should we do?” Or she says: “I really want to do something about X. You’re the expert, what should we do—which approach should I fight for?” You can hand her your policy position paper. Your paper gives her 3 alternatives and your set of recommendations. Remember, if her value system is different from yours, she may pick a different policy (than you recommended), but at least you’ve been clear about the evaluating criteria, and done a good job outlining the strengths and weaknesses of each approach.

Assignment #1: Outline for Problem Statement

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Important Components to Include in Problem Statement

1. What is the “**root**” social condition that is problematic? (e.g., childhood asthma)
2. Why is it a social condition that needs **government intervention**?
 - a. 2 reasons: children unhealthy and unnecessary ER visits are costly, therefore government should focus on reducing prevalence of asthma and maintaining the disease better.
 - b. **Narrow**: For this paper we will focus on improving services so that children with asthma can live more healthy lives and ER visits will be lowered. Note, we could focus instead on prevention; that is, lowering the prevalence of asthma in the first place. Narrowing is important! You need 3 policy alternatives to address the same problem focus so that you can adequately compare alternatives. Note a policy to lower the prevalence of asthma cannot be compared to a policy that attempts to lower ER visits. It’s comparing apples to oranges.
3. Why does this social condition exist? What are the major **causal factors**?
 - a. For ER visits: Financial barriers to pay for primary care; lack of primary care providers; lack of primary care facilities; cultural beliefs about how to access health care.
 - b. **Narrow**: For this paper I will focus on creating policy options for alleviating the financial barriers to primary care.
 - c. **Why?** All four contribute to problem, but financial barriers seems to have most significant effect.
 - d. **Should we Target the Population Group?** No, I will create the policy designs to consider the advantages/disadvantages of universal versus targeted approaches. Note, we could say upfront that all policies should target only children with asthma.
4. What should be the **goals** of our policy solution?
 - a. Reduce number of severe asthma attacks.
 - b. Reduce ER visits? Or Increase Primary Care visits? What is the best process outcome to measure (a)? Is (a) enough? If we lowered the cost of ER, and lowered number of severe asthma attacks, would ER visits still be a problem?