Professor: Rob Wassmer, Ph.D.

E-Mail: rwassme@csus.edu

Home-Page: http://www.csus.edu/indiv/w/wassmerr/

Class Location: Tuesday, 6:00 p.m. - 8:50 p.m., 1051 Folsom Hall

Office: Room 3037, Tahoe Hall

Office Phone: (916) 278-6304

Office Hours: Monday and Tuesday, 4:00 – 5:30 p.m.; and by appointment if necessary

Prerequisite: Grade of B- or higher in PPA 220A

Required Texts:

(1) “Cost-Benefit Analysis for Public Sector Decision Makers,” 1999, Diana Fuguitt and Shanton J. Wilcox, Quorum Books; purchase at Amazon ($83 used on Dec. 29, 2014) or the Sacramento State Bookstore.

There will also be supplemental readings that groups will chose for their own topics from the Web after consulting with me early in the semester.

SacCT:

This course requires that you have access to the World Wide Web and SacCT. If you do not have an account at home or work that allows this, you can get one through Sacramento State. On SacCT I will post an outline of material covered in each meeting. These will be available by the Friday evening before the class meets. Your grades will also be accessible through SacCT.

Course Objectives:

At the end of PPA 220B, a student that attends all meetings will:

(1) Understand the basic process of how to conduct a benefit cost assessment (BCA) and have a working knowledge of some of the specific techniques necessary to do it.
(2) Learn to apply the concepts of benefit-cost assessment (BCA) to a particular California public policy (for example Climate Change) and to appreciate this policy tool’s relevance to gaining a better understanding of how to structure a policy intervention.

(3) Be able to apply a specific public policy “tool” (Munger’s Triangle, Government Failure, Comparative Institutional Analysis, Microeconomic Based Market Analysis, Market Failure Approach, BCA, etc.) to a California relevant public policy concern in order to gain a better understanding of how “best” to deal with it.

(4) Gain a greater comfort in your ability to make a public presentation and engage in a public discussion on a public policy topic.

(5) Explore further how the framing of a policy problem in terms of “what is fair” or “what is efficient” results in the choice of different “best” solutions.

(6) Compose a white paper on a policy problem that lays out its background, a formal analytic way of thinking about solutions to it, and evaluates the solutions put forward to deal with it.

This course exposes you to the basic study and application of economics and BCA to public policy applications specific to California. You will learn and apply theoretical concepts; however, keep in mind that the goal in doing so is to increase your ability to better understand, analyze, and critique existing and proposed public policies.

Method:

This class will have two distinct halves. The first half will be coverage of BCA for public policy formulation and evaluation. I will be responsible for this in the form of lectures, classroom discussions, and homework assignments. The details on this are in meetings one (Jan. 31) through eight (March 17) described below. **For each of the BCA classes you will need to bring your own laptop with Excel installed (this includes our first meeting). If you do not have this, please arrange to share with another student.**

For the second half of the course, I am turning it over to you to practice what Mintrom described in his book’s Chapter 6 as “Presenting Policy Advice.” Each group of six students will be responsible for 1.5 class meetings of coverage on one of six policy topics that the class selected: (1) Voter Turnout/Political Participation, (2) Urban Form/Redevelopment, (3) Climate Change/AB32 Implementation, and (4) Education.

The student assignments are after each topic. Until February 24, you may change groups with other student if both agree upon the change. Just let me know.
Voter Turnout/Political Participation (T. Cowgill, K. Acierto, A. Bourdykina-Jelobniok, L. Tracy) – February 24

Urban Form/Redevelopment (R. Funston, S. Neely, K. Corches) – March 3

Climate Change/AB32 Implementation (C. Bullis, M. Henry, B. Houser, K. Robinson) – March 10

Education (J. Reeves, K. Nick-Kearney, K. Holland) – March 17.

The dates after each topic are when your entire group needs to plan to be in our classroom an hour early so we can decide upon the approach and readings to assign the class for your topic. If we cannot finish this discussion in an hour, we will continue it at the end of class.

In the 1.5 student-led class meetings for each topic, the student covering each topic has the choice of picking one of these ways of discussing it in a classroom PowerPoint presentation and whitepaper write up (but no duplications): (A) a historical look at the institutions, politics, demographics, etc. that led to this overall policy concern in California, (B) the Munger Triangle and Mintrom approach on how to think about the reasons for and type of government intervention on your topic, (C) the Mintrom approach of comparative institutional analysis on how to intervene in your policy area, or (D) the CBA approach to thinking about government intervention in this policy area.

These 1.5 unit class meetings are equivalent to 240 minutes of class time divided between 160 minutes on the first night and 80 minutes on the second. The first meeting will consist of three or four, 30 to 40 minute PowerPoint based presentations (no more than 20 slides per presentation) that involve 20 to 30 minutes of presentation and 10 minutes of discussion that each student in a policy area group will lead. Prior to these presentations, the group as a whole will have assigned three or four homework question for members of the class not involved with the topic. After each presentation, we will discuss the assigned HW for 10 minutes. The presenter will lead these discussions. On the second half meeting of a topic, the group will be responsible for inviting in two to four outside speakers that can talk on the topic for 80 to 120 minutes in a manner that they decide. By necessity, this often rolls over to the next meeting (see schedule).

If there are concepts or ideas covered in a Tuesday night session that you did not understand, it is important to your overall success that you get these misunderstandings resolved before the next time we meet. You can do this by talking to your fellow classmates (I encourage you to form study groups or electronic study networks), visiting me in my Monday or Tuesday office hours, sending an e-mail question to me at rwassme@csus.edu, or phoning me at 278-6304. My promise to you is that if I am not in my office, I will respond to your Monday through Friday e-mail or phone call within 24 hours (but most likely within 2 hours).
Questions, comments, and discussion about material assigned for a Tuesday night class are always encouraged during that class. In office hours, I am pleased to discuss a suggestion on pedagogy, economics, and public policy in general, the PPA/ULD Program, and/or your career plans. To insure an adequate participation grade, please plan to stop by to visit me at least once during my office hours. This is especially important this semester so I can offer personal advice on your reading assignment choice, HW question, and PowerPoint presentation.

Students will need to come well prepared to class in the form of completing all reading assignments, looking over my notes and posted student PowerPoint slides, and being prepared to participate in the class discussion. I will not hesitate to call on students who do not voluntarily participate.

Twitter:

We will again use Twitter to stimulate thought on the topics covered in class and to relate to contemporary events that arise throughout the semester. I evaluate your participation as part of the overall participation grade I assign you. Some guidelines to follow: (1) post at least two tweets (but no more than five) on BCA and respond to at least two tweets on BCA from others (but no more than five), (2) post at least three tweets (but no more than eight) on the specific policy area you are covering and respond to at least three other policy-area Tweets (but no more than six). Remember, I evaluate these in terms of both quality and quantity (not too little high quality responses, and not too many low quality responses).

Grading:

The grade you receive in this course comes from five different components. The first component counts 50 percent and is the average of grades assigned in 13 weekly homework (HW) assignments. The first homework assignment is not due until our second meeting. I commit to having all HW assignments posted on SacCT by at least the Friday evening before they are due. Note that the person completing them can only turn in all HW assignments on the night they are due in paper form. There are no excused absences or submitting HW early or late. If you miss a HW, you will receive a zero averaged into your completed HW grades.

The second component of your course grade counts 10 percent and is my evaluation of your PowerPoint presentation. The third component of your grade counts 10 percent and is the students’ evaluation of your PowerPoint presentation. The fourth counts 20 percent and is my evaluation of your policy white paper. The fifth component of your overall grade counts 10 percent and is based upon the grade I assign for your participation. You must complete all of the first four components of grading in order to receive a passing grade in this class. Thus:

\[
\text{Course Grade} = 0.50(\text{average of 13 HW assignments}) + 0.10(\text{my evaluation of your PowerPoint Presentation}) + 0.10(\text{students’ average evaluation of your policy white paper})
\]
PowerPoint Presentation + 0.20(my evaluation of your white paper) +
.10(my evaluation of your classroom and Twitter participation)

See the end of to this syllabus for the rubrics that students and I will use for grading your homework, your presentations, and your white paper.

Where relevant, grades are based on the following table:

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<tr>
<th>Percent Correct</th>
<th>Letter Grade</th>
<th>Number Grade</th>
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<tr>
<td>100-97</td>
<td>A+</td>
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<tr>
<td>96-93</td>
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<td>92-89</td>
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<td>88-85</td>
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<td>3.3</td>
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<td>84-81</td>
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<td>80-77</td>
<td>B-</td>
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<td>76-73</td>
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Academic Honesty

When you do any writing for this class, or any class at Sacramento State, it is important that you are aware of what plagiarism is, and how its practice can become grounds for dismissal from the university. Details are available at the University Policy Manual. The following is also helpful:

Plagiarism is a form of cheating. At Sacramento State plagiarism is the use of distinctive ideas or works belonging to another person without providing adequate acknowledgement of that person's contribution. Regardless of the means of appropriation, incorporation of another's work into one's own requires adequate identification and acknowledgement. Plagiarism is doubly unethical because it deprives the author of rightful credit and gives credit to someone who has not earned it. Acknowledgement is not necessary when the material used is common knowledge. Plagiarism at Sacramento State includes but is not limited to:
1. The act of incorporating into one's own work the ideas, words, sentences, paragraphs, or parts thereof, or the specific substance of another's work without giving appropriate credit thereby representing the product as entirely one's own. Examples include not only word-for-word copying, but also the "mosaic" (i.e., interspersing a few of one's own words while, in essence, copying another's work), the paraphrase (i.e., rewriting another's work while still using the other's fundamental idea or theory); fabrication (i.e., inventing or counterfeiting sources), ghost-writing (i.e., submitting another's work as one's own) and failure to include quotation marks on material that is otherwise acknowledged; and

2. Representing as one's own another's artistic or scholarly works such as musical compositions, computer programs, photographs, paintings, drawing, sculptures, or similar works.

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**Schedule:**

This class meets 14 times throughout the semester. The readings for each meeting are below. **Note that readings for the student led portion of the course are not yet included and will be posted at SacCT when needed.**

**Meeting 1 (Jan 27)**

FugWil (Chapter 1) - A History of Application

FugWil (Chapter 2) - The Decision Maker, the Analyst, and Cost-Benefit Analysis

FugWil (Chapter 3) - Policy Advocates and Adversaries

**Freakonomics: Fixing the World: Bang-For-The-Buck Edition**

**Is There a Role for Benefit-Cost Analysis?**

**Stunning Triumph of Benefit-Cost Analysis**

**Intro to CBA**

**Meeting 2 (Feb. 3)**

FugWil (Chapter 4) - Economics and Cost-Benefit Analysis

FugWil (Chapter 5) - Economic Valuation of Individual Preferences

FugWil (Chapter 6) - Who is Society?
**Marketplace: Want Better Government? Use CBA**

**GovInnovator: State’s Use of CBA**
BCA in the States: Status, Impact, and Challenges (PDF @ SacCT)

**GovInnovator: WA State’s Use of CBA**

**WA State Institute for Public Policy**

**YouTube: Excel Cost Benefit Example**

**Meeting 3 (Feb. 10)**

FugWil (Chapter 7) - With and Without Analysis

FugWil (Chapter 8) - Aggregate Benefits and Costs

FugWil (Chapter 9) - Present Value of Benefits and Costs Over Time

**Using CBA for Justice Policymaking**

**CA High Speed Rail Debate (See all Four Post by Fallows; last three hyperlinked at end of this article)**

**Meeting 4 (Feb. 17)**

FugWil (Chapter 10) - Decision Criteria

FugWil (Chapter 11) - Discount Rate

FugWil (Chapter 12) – Inflation

**OMB Suggested Discount Rates**

**Discount Rates for Climate Change CBA**

**2014 California High-Speed Rail Benefit-Cost Analysis**

**Meeting 5 (Feb. 24)**

5 pm discussion Voter Turnout/Political Participation
(T. Cowgill, K. Acierto, A. Bourdykina-Jelobniok, L. Tracy)

FugWil (Chapter 13) - Time Horizon

FugWil (Chapter 14) - Uncertainty and Risk
FugWil (Chapter 15) - Principles of Cost-Benefit Analysis

Benefit – Cost Analysis of Delta Water Conveyance Tunnels

CalWatchdog on BCA of Delta Water Tunnels

Meeting 6 (March 3)

5 pm discussion Urban Form/Redevelopment
(R. Funston, S. Neely, K. Corches)

FugWil (Chapter 16) - Identifying Benefits and Costs

FugWil (Chapter 17) - Market Valuation

FugWil (Chapter 18) - Contingent Valuation

Wassmer, Ong, and Propheter: “Suggestions for the Needed Standardization of Determining the Economic Impact of Professional Sports (PDF @ SacCT)

Contingent Valuation: A Practical Alternative when Prices Aren’t Available

Meeting 7 (March 10)

5 pm discussion Climate Change/AB32 Implementation
(C. Bullis, M. Henry, B. Houser, K. Robinson)

FugWil (Chapter 19) - Travel Cost Method

FugWil (Chapter 20) - Hedonic Pricing Method

FugWil (Chapter 21) - Valuation of Human Life

Why We Must Ration Health Care

David Cutler, “Pricing the Priceless,” in Your Money or Your Life (PDF @ SacCT) or Amazon if interested in reading more on health policy/economics

Meeting 8 (March 17)

5 pm discussion Education
(J. Reeves, K. Nick-Kearney, K. Holland)

FugWil (Chapter 22) - Cost-Effectiveness Analysis
FugWil (Chapter 23) - Principles for Identifying and Valuing Benefits and Costs?

What is Cost-Effectiveness Analysis?

EconTalk: Pindyck on Climate Change

Critique of Cost-Benefit Analysis, and Alternative Approaches to Decision-Making

Meeting 9 (April 7)

Readings posted later

Voter Turnout/Political Participation Student PowerPoint Presentation and HW 40 minutes

Meeting 10 (April 14)

Readings posted later

Voter Turnout/Political Participation Outside Speakers’ Presentation 120 minutes

Urban Form/Redevelopment Student PowerPoint Presentation and HW 40 minutes

Meeting 11 (April 21)

Readings posted later

Urban Form/Redevelopment Student PowerPoint Presentation and HW 40 minutes

Urban Form/Redevelopment Student PowerPoint Presentation and HW 40 minutes

Urban Form/Redevelopment Outside Speakers’ Presentation 80 minutes
**Meeting 12 (April 28)**

*Readings posted later*

Climate Change/AB32 Implementation Student PowerPoint Presentation and HW 40 minutes

Climate Change/AB32 Implementation Student PowerPoint Presentation and HW 40 minutes

Climate Change/AB32 Implementation Student PowerPoint Presentation and HW 40 minutes

Climate Change/AB32 Implementation Student PowerPoint Presentation and HW 40 minutes

**Meeting 13 (May 5)**

Climate Change/Ab32 Implementation Outside Speakers’ Presentation 120 minutes

Education Student PowerPoint Presentation and HW 40 minutes

**Meeting 14 (May 12)**

*Readings posted later*

Education Student PowerPoint Presentation and HW 40 minutes

Education Change/Ab32 Implementation Student PowerPoint Presentation and HW 40 minutes

Education Outside Speakers’ Presentation 120 minutes

**Final (May 21)**

White Paper Due
Name: _______________________________________ Grade: ____________________

Grading Rubric for Weekly Discussion Questions

PPA 220B

Spring 2015

Excellent = 10, Good = 9, Acceptable = 8, Needs Improvement = 7, Poor = 6, Absent = 0

<table>
<thead>
<tr>
<th>Required Content</th>
<th>10</th>
<th>9</th>
<th>8</th>
<th>7</th>
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<td>Include your full name and reproduce the complete discussion question on a separate cover page. Document is double-spaced, no more than two typed pages long, with one-inch margins and 11 font.</td>
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<td>Begins with an appropriate introductory paragraph that describes topic and layout of write-up.</td>
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<td>Finishes with an appropriate concluding paragraph that summarizes answer to discussion question asked.</td>
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<td>Paragraphs and transitions between them flow smoothly.</td>
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<td>Appropriate writing style and language use for a college-educated reader not familiar with the topic.</td>
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<td>No grammar or spelling errors.</td>
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<td>Answer appropriately draws upon at least one piece of outside material relevant to the discussion question and cites this material using APA style (see Hacker style manual from PPA 200).</td>
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<td>Answer appropriately addresses discussion question by drawing upon assigned reading related to it (three times other value).</td>
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<td>27</td>
<td>24</td>
<td>21</td>
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Total score (100 possible)
Grading Rubric for Student PowerPoint Presentations

PPA 220B

Spring 2015

Excellent = 10, Good = 9, Acceptable = 8, Needs Improvement = 7, Poor = 6, Absent = 0

<table>
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<th>Required Content</th>
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<tr>
<td>Clarity/organization in presenting material through PowerPoint (no more than 20 slides used)</td>
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<td>Ability to engage the audience in discussion</td>
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<td>Handling of questions</td>
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<td>Ability to stay within the allotted time frame and cover material effectively (30 minutes for PowerPoint, 10 minutes for discussion)</td>
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<td>“Comfort” level displayed in public speaking</td>
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<td>Command of the material/knowledge of the subject (Five times other values)</td>
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Total score (100 possible)

Comments (Suggest Three Positive and One Area to Work On):

1.

2.

3.

4.
White Paper Assignment

PPA 220B – Spring 2015 – Professor Rob Wassmer

Due May 21, 2015 in Word form

One Grade Deduction for Every Day Late

Submit an Electronic Copy to rwassme@csus.edu

Overview

You are to write no more than an eight-page, typed, and double-spaced White Paper (11 Times New Roman Font) on your chosen policy topic in a manner described below.

Within one of these policy topics, you will cover one chosen area that is not be duplicated by someone else in your group: (A) a historical look at the institutions, politics, demographics, etc. that led to this overall policy concern in California, (B) the Munger Triangle and Mintrom approach on how to think about the reasons for and type of government intervention on your topic, (C) the Mintrom approach of comparative institutional analysis on how to intervene in your policy area, or (D) a CBA approach to thinking about government intervention in this policy area.

I will use the rubric contained on the next page to score your assignment and assign it a grade. Pay careful attention to what this rubric is asking for and the further instructions offered below.

Instructions

You should structure your White Paper as an essay with an appropriate cover page, introductory section that describes what is in the essay, section headings that cover the requested material, and a concluding section. You will need a reference list at the end and citations must be in APA style. Tables and figures should be included in an appendix to the essay and they do not count toward your eight-page limit. I will not read beyond eight pages. (Your cover page and reference list is not part of this eight-page limit.) Other than these constraints, including the mandatory components described below, the remaining form of the write up is up to you.
Grading Rubric for Final Policy White Paper  
PPA 220B, Spring 2015

Excellent = 10, Good = 9, Acceptable = 8, Needs Improvement = 7, Poor = 6, Absent = 0

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<th>Required Content</th>
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<tr>
<td>Development and organization: appropriate introduction and conclusion, organization clearly described in introduction and done as stated, appropriate headings for sections</td>
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<td>Writing mechanics: grammar, spelling, word choice, and sentence structure</td>
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<td>Presentation: appropriate and attractive format</td>
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<td>Citations: accurate citations and listing of references using APA style</td>
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<td>Tufte style figures/diagrams/charts: minimum of three</td>
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<td>Command of the material/knowledge of the subject (Five times other values): how well do you cover the approach assigned to your section (that is representing what others have written about it and in reaching your own conclusions)</td>
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<td>45</td>
<td>40</td>
<td>35</td>
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Your Total Score (100 Possible)

GRADE