

Syllabus PUBP 6120/ECON 6150

Cost Benefit Analysis for Policy, 3 Credits
Tuesday/Thursday 3:30pm-4:45pm

INSTRUCTOR

Anthony Harding

EMAIL

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OFFICE HOURS

Thursdays 1:30pm-3:30pm or by
appointment

GENERAL INFORMATION

Course Description

Cost-benefit analysis (CBA) is an essential tool for policy decision-making used by government and private sector decision-makers. Founded in welfare economics, CBA addresses how to efficiently allocate scarce resources.

In this course, you will learn the principles of cost-benefit analysis and how to apply them to a variety of public policy issues. Through lectures and case studies, we will explore the techniques used to identify potential outcomes of policy interventions and estimate their associated costs and benefits. Additionally, we will discuss the ethical considerations of cost-benefit analysis and implications for policy design.

During class, we will cover foundational topics and discuss their application to current events. Outside of class, you are expected to review the literature and practice problem-solving by applying the topics covered in class. By the end of the course, you should be able to evaluate the consequences of policy interventions through cost-benefit analysis as well as critically analyze other cost-benefit analyses.

Course Goals and Learning Outcomes

By the end of this course, you will be able to...

1. Explain the theoretical foundations of cost-benefit analysis
2. Identify and explain steps in conducting a comprehensive cost-benefit analysis
3. Critically evaluate cost-benefit analyses and prescribe strategies to address shortcomings
4. Create your own cost-benefit analysis

Prerequisites

An understanding of the principles of microeconomics is a prerequisite for this course (PUBP 6116 or equivalent). For this course, I will assume that you recall the important concepts, such as supply and demand, surplus, deadweight loss, etc. If you have concerns about your preparedness for this course or would like suggestions for supplementary materials, feel free to reach out to me.

COURSE MATERIALS

Required Text: *Cost-Benefit Analysis: Concepts and Practice*, 5th ed. by Boardman, Greenberg, Vining, and Weimer, Cambridge University Press, doi:10.1017/9781108235594.

Availability: The course text can be purchased online or you could support your local bookstore. The material in the text will be supplemented with additional readings and lecture notes.

Course website: All course material will be distributed and managed on Canvas. It is important that you check the announcements regularly, as this is my primary method of communication given the online nature of the course.

COURSE Assignments + GRADING

Course Assignments

Assignment	Dates	Weight (Percentage)
Homework (x5)	~Bi-weekly	20% (4% each)
Participation	Daily	10% (~0.5% each)
Exam		30%
Project		40%

Description of Graded Components

Homework: Each assignment will assess the material discussed in class and will be due by Friday at midnight on the dates listed below.

Participation: To get full points for attendance, you are required to submit your own responses for the in-class activity each class on Canvas by the end of class.

Exam: 1 hour and 15 minute assessment. The exam covers material from all prior classes.

Project: As part of the course you will be required to complete your own cost-benefit analysis for a policy of your choice. This project will have four components or checkpoints: initial proposal (0%), detailed proposal (5%), final paper (30%), and presentation (5%). There will be a rubric provided for the evaluation of the final paper and the presentation.

Office Hours

Office hours will be on Thursdays 1:30pm-3:30pm or by appointment in my office, room 215 in the Rich Computer Center. If you cannot attend in person, email me and we can meet virtually.

I will also monitor the Office Hours discussion board on Canvas. I encourage everyone to take advantage of my office hours. I'm here to help. If you can, please come with questions

prepared. Additionally, prepared questions can be posted to the Office Hours discussion board at any time during the week. I will try to respond to posts when I can or during the subsequent designated office hours time.

Grading Scale

Your final grade will be assigned as a letter grade according to the following scale. Grades of C or higher are considered a pass for students taking the course pass/fail.

A	90-100%
B	80-89%
C	70-79%
D	60-69%
F	0-59%

COURSE SCHEDULE

The following is a tentative outline of the schedule for this course. The timing of the material is subject to change but the exam and assignment dates will remain fixed.

8/22, 8/24 - Module 1: Welcome to cost-benefit analysis + Conceptual foundations

8/29, 8/31 - Module 2: Microeconomic foundations

9/5, 9/7 - Module 3: Valuing in primary markets

9/12 - Module 4: Valuing in secondary markets

9/14 - Module 5: Existence values

9/19, 9/21 - Module 6: Discount rate

9/26, 9/28, 10/3, 10/5 - Module 7: Uncertainty and risk

10/12 - Review

10/17 - Exam

10/19, 10/24, 10/26 - Module 8: Valuing from observed behavior

10/31, 11/2 - Module 9: Contingent valuation

11/7, 11/9 - Module 10: VSL + SCC

11/14, 11/16, 11/21, 11/28 - Project presentations

11/30 - Module 11: Alternatives to CBA

12/5 - Project consultations

Assessment deadlines

9/1 - Homework 1 due

9/8 - Initial project proposal due

9/15 - Homework 2 due

9/29 - Homework 3 due

10/6 - Detailed project proposal due

10/17 - Exam

11/3 - Homework 4 due

11/17 - Homework 5 due

12/8 - Project final paper due

COURSE EXPECTATIONS & GUIDELINES

Attendance

Class participation and discussion is an integral part of the learning process, especially for this course. To encourage participation, attendance is required and represents a portion of the final grade. Full points for attendance will be given for submitting in-class activities.

Extra Credit Opportunities

There will be NO extra credit assignments or bonus points. Course grades will not be curved.

Collaboration & Group Work

Collaboration in the learning process is encouraged. Students are permitted to work together on homework, however, each student must submit their own assignments.

Email Policy

I encourage students to contact me with their questions and expect frequent contact. To facilitate response in a timely manner, below are guidelines for sending me emails. If you have not received a response within 24 hours of your email, please make sure you have followed the guidelines below and send a follow-up email.

1. Start the subject line of the email with "[PUBP-6120]"
2. Include your full name in the body of the email

Academic Integrity

Georgia Tech aims to cultivate a community based on trust, academic integrity, and honor. Students are expected to act according to the highest ethical standards. For information on Georgia Tech's Honor Code, please visit <http://www.catalog.gatech.edu/policies/honor-code/> or <http://www.catalog.gatech.edu/rules/18/>.

Any student suspected of cheating or plagiarizing on a quiz, exam, or assignment will be reported to the Office of Student Integrity, which will investigate the incident and identify the appropriate penalty for violations.

Accommodations for Students with Disabilities

If you are a student with learning needs that require special accommodation, contact the Office of Disability Services at (404)894-2563 or <http://disabilityservices.gatech.edu/>, as soon as possible, to make an appointment to discuss your special needs and to obtain an accommodations letter. Please also e-mail me as soon as possible in order to set up a time to discuss your learning needs.

Extensions, Late Assignments, & Re-Scheduled/Missed Exams

Make-up exams will be given only for documented reasons of illness, family emergency, or participation in approved Institute activities (such as field trips and athletic events, see <http://catalog.gatech.edu/rules/12/> for more information). Late assignments will not be accepted and no extensions will be given except for reasons consistent with those stated above.

Student-Faculty Expectations Agreement

At Georgia Tech we believe that it is important to strive for an atmosphere of mutual respect, acknowledgment, and responsibility between faculty members and the student body. See <http://www.catalog.gatech.edu/rules/22/> for an articulation of some basic expectations that you can have of me and that I have of you. In the end, simple respect for knowledge, hard work, and cordial interactions will help build the environment we seek. Therefore, I encourage you to remain committed to the ideals of Georgia Tech while in this class.

Cell Phones, Laptops, and Related Technology

In this class, we will be using TurningPoint to track attendance and allow the instructor to receive feedback on students' learning. This means you will need to bring a (charged) web-enabled device with you to class – a smartphone, tablet, laptop, or other similar devices will do. However, use of these devices outside of the designated times is prohibited. Please remember that your success in this class will hinge in part on your attention to in-class discussion and content. If your use of electronic devices causes a disturbance you will be asked to leave. incidents may result in a reduction of the final grade.

Food and Drink

Food and drink are permitted, but be respectful of the others in the classroom. If it becomes distracting to those around others, you will be asked to either put it away or take it outside the classroom.

CAMPUS RESOURCES FOR STUDENTS

Georgia Tech provides a variety of resources around campus to support students and their learning. These include resources such as The Counseling Center, The Communication Center, and The Center for Academic Success.

See http://ctl.gatech.edu/sites/default/files/documents/campus_resources_students.pdf for a list of relevant campus resources available to Georgia Tech students.

Note

This syllabus is subject to change as the semester progresses if it will enhance the student learning and the overall quality of the course. (Syllabus v1.0: 8/10/2023)