

Microeconomics Research Project Government Policy Analysis and Evaluation

Professor: Biwei Chen

First draft presentation due in TA discussion from Nov 19 to 26. TAs will provide feedback and advice to students. Final report due in class Dec 05. Evaluation is based on the presentation and the final project report. Please schedule a presentation with your TA as soon as possible.

In this project, choose a public policy of your concern or among the ones discussed in the lectures. Collect data and information to answer the research questions below. For relevant concepts and theories, refer to the theories covered in lecture 18-22 and corresponding textbook chapters. The final report must be organized in PowerPoint slides. Sources and links must be provided for all data and research findings. Please follow all instructions and keep your answers clear, concise, and concrete. Any violation of the academic honesty code will result in failing the course and the issue being reported to the academic dean.

I. Brief Introduction (two pages)

1. Sketch a timeline of the policy: background, objectives, announcement, enforcement, expiration
2. What are the opinions from mainstream news and media? Are these opinions objective or biased (positive or normative)?

II. Literature Survey (three pages)

1. What are the empirical and descriptive evidence for a similar policy in history?
2. What are the major conclusions from the most rigorous research on a similar policy?
3. What lessons can be learned from history for a similar policy? Is it comparable and relevant?

III. Policy Effects Analysis (three pages)

1. What is the competitive criterion in the policy context?
2. What are the “rules of the game” under the policy design?
3. Will the policy have a stronger effect on the price or quantity of the “good”?
4. Apply demand and supply model to show the short-run and long-run impacts.
5. What are the seen, unseen, and unintended consequence of the policy?

IV. Policy Evaluation: Equity and Efficiency (four pages)

1. Who are the groups of “winners” and “losers” from the policy? Is the policy fair? In what sense?
2. What institutions are accountable for the policy? How is the policy financed (sources of funding)?
3. What is the total budget or explicit cost of the policy? What are the implicit or opportunity costs?
4. What are the means (measures) for the policy to effect? What are the ends (effects and outcomes)?
5. Does the policy design and implementation follow the economic efficiency principle?
6. How do you evaluate the effectiveness and social value of the policy?
7. If you were the policy-maker, what would you improve the policy?