

## Syllabus

### PA 388K: Evaluation and Cost-Benefit Analysis for Global Policy Summer 2010

Instructor: Jane Lincove  
[lincove@mail.utexas.edu](mailto:lincove@mail.utexas.edu)

Office hours by appointment  
(512) 232-2561

#### Objective

This course provides a theoretical foundation for conducting evaluation of policies and projects in an international context and teaches practical methods for application in the field. Students will learn the theoretical foundation of cost-benefit analysis, including strategies for valuation, discounting, weighting the distribution of costs and benefits, and addressing risk and uncertainty. Students will learn to adapt methods for implementation in real world evaluation under political, time, and budget constraints.

#### Class Schedule

**Class will meet daily from Monday, May 24 to Thursday, May 27 from 9 am to 5 pm in SRH 3.216/219. Attendance at all four class sessions is mandatory.** A final required meeting will be scheduled in September, based on student schedules.

#### Grading

Students will complete an independent evaluation project, preferably in conjunction with a summer internship. To get a passing grade, you must complete an independent evaluation project. Because of summer internships, it is expected that students will receive an incomplete for the summer term and grades will be assigned during fall 2010. *The final deadline for all assignments is September 16, 2010. If work is not complete by this deadline, incompletes will be changed to "F".*

Attendance and class participation 10%

All students must attend all four class sessions, complete reading assignments, and participate in class discussion.

In-class problem sets 30%

Problem sets will apply practical concepts discussed in class. There will time in class to work on problem sets in groups.

Project proposal 10%

A one-page proposal including the purpose of the project and identification of data sources.

Written project 50%

5-10 page written report of project objectives, methods, data, results, and recommendations.

### Textbooks

Brent, Robert J. (2006). *Applied Cost-Benefit Analysis*, 2nd edition. Edward Elgar Publishing: Massachusetts.

Bamberger, Michael, Rugh, Jim, & Mabry, Linda (2006). *Real World Evaluation*, Sage Publications: California.

Zerbe, Richard O. & Allen S. Bellas (2006). *A Primer for Benefit-Cost Analysis*. Edward Elgar: Cheltenham, UK.

### Course Schedule

<b>Date</b>		<b>Topic</b>	<b>Readings</b>
May 24	Part I	Introduction to CBA Review of Present Value	Brent, Chapter 1 Zerbe & Bellas, Chapters 1-2, 9
	Part II	Compensation Tests Consumer Surplus	Brent, Chapters 2-3 Zerbe & Bellas, Chapters 3-4
<b>Problem Set 1: CBA Methods</b>			
May 25	Part I	Shadow Prices External Effects Public Goods	Brent, Chapters 4-6 Zerbe & Bellas, Chapters 5-6
	Part II	Risk and Uncertainty Social Discount Rate	Brent, Chapters 7 (skim Chapter 9 & 11) Zerbe & Bellas, Chapter 10
<b>Problem Set 2: Decision Analysis</b>			
May 26	Part I	Valuation in Practice	Brent, Chapter 9 (skim Chapter 12) Zerbe & Bellas, Chapter 7
	Part II	Discussion of Project Proposals  Meet to discuss CBA Reviews	
May 27	Part I	Review of CBA Papers	CBA paper TBD
	Part II	Real World Evaluation	Bamberger et al., Parts I, II, & IV

### Important Deadlines

June 1	Last day to turn in problem sets
June 4	Last day to turn in 1-page project proposal
September 16	Last day turn in final project.