

University of Washington
Daniel J. Evans School of Public Policy and Governance

PUBPOL 499 | Autumn 2018

Decision-Making, Behavior, and Policy Design



Instructor: Professor Ines Jurcevic

203 Parrington Hall
Office Tel: (206) 685-8803
E-mail: jurcevic@uw.edu

Class Meetings: Mondays 11:30 – 2:20
Parrington Hall, Room 308

Office Hours: Mondays 2:30-4:30 & by appointment
Parrington Hall, Room 203

COURSE DESCRIPTION

Decision Theory and Behavioral Science, which span many fields including behavioral economics and psychology, have rapidly evolved over the past three decades, and the application of decision theory and behavior science to public policy design is an emerging field. This class will bring students to the forefront of this area.

This course provides a foundation in the application of psychology, behavioral economics, judgment and decision-making, and game theory to study public policy problems. Students learn how cognition, heuristics, biases, emotion, and social dynamics interact in decision-making, and how context and framing shape decisions. Students learn how decision-making influences the effect of public policies on the equity and efficiency of the production and distribution of goods and resources. Topics may include choice architecture, decision making under uncertainty and risk, and implications for taxes and retirement, regulation, and social welfare. Core theoretical principles are applied to current policy dilemmas and initiatives.

LEARNING OBJECTIVES

By the end of this course, students will be able to:

- apply decision theory to common public policy problems;
- understand underlying factors that influence choices of policymakers and those affected by policy;
- critique the limits of theory to explain observed behavior; and
- design “good” policy that accounts for how individuals behave and make choices.

COURSE OUTLINE

Week	In Class Topic
2 Oct. 1	Decision Making I - Introduction to Behavioral Science Introduction to Class - Syllabus, readings, norms
3 Oct. 8	Decision Making II Dual Systems Model Common Heuristics & Biases in Decision-Making
4 Oct. 15	Decision Making II - Default and Choice Overload, Cataloging Heuristics & Biases Introduction to Nudging - Small changes, Big Effects
5 Oct. 22	Midterm Exam - In class exam in first part of class Thinking About the Group - How does belonging to a group shape decision-making?
6 Oct. 29	Scarcity - Consequences of Having or Perceiving You Have Too little
7 Nov. 5	Fairness & Ethics in Decision - Moral Fading, Procedural Fairness, and Perceptions of Fairness
8 Nov. 12	No Class – Veterans’ Day Observation
9 Nov. 19	Social Influence & Persuasion - Motivation; Emotional and Social Comparison
10 Nov. 26	Limits and Boundaries - Ethics of Choice Architecture, Liberal Paternalism, and Nudging
11 Dec. 3	Final Project Presentation Course Wrap Up and Review

COURSE REQUIREMENTS

Your grade in this course will consist of the following components:

Course component	% of final grade
- Participation (ongoing)	15%
- Midterm exam (in class Week 5)	25%
- Empirical Op-Ed (due Week 7)	15%
- Empirical Op-Ed (due Week 9)	20%
- Final group project (due in class Week 11)	25%

PARTICIPATION (15%)

Effective participation in discussions is an art and a crucial professional skill for public leaders and managers. You can participate in this class in several different ways. Please practice and make an effort to participate in each of these ways, even ways you may find uncomfortable at first.

(1) Linking Course Material to Current Events. This course is intended to cover relevant and contemporary political and social topics. For this aspect of participation, each member of the class will sign up for one of the class topics we'll be covering over the quarter (Prof. Jurcevic will pre-determine the dates and topics).

For the class that you sign up for, you will need to find an example from current events that connects the concepts we're covering in class to real-world issues in public policy and policy design. You will be asked to find a media/press article that draws this connection and give a short presentation on the connection you're making in class. This will give us an opportunity to discuss the class topic and for everyone to then contribute. You should prepare thought provoking questions for the group and assist in leading discussion.

Specific Guidelines: Submissions are due to Prof. Jurcevic by **12pm on the Sunday** before class. You must email me your article and guiding questions for class. A successful discussion leader will (1) clearly and succinctly describe the phenomenon or event described in the article, (2) clearly connect the article content to course readings or lecture content, and (3) help others reflect on the significance of the research. You can choose to lead class discussion in whatever way you'd like, but it is often useful to include a short exercise or guiding question that provides an entrée into discussion.

(2) Small groups in class. Small group discussions represent excellent opportunities to "stretch" your comfort level and practice new approaches to participation. We invite you to try different roles, including:

- Facilitating or moderating group conversations
- Recording and summarizing group conversations
- Participating constructively in those conversations

- Listening appreciatively
- Encouraging others to practice the different roles

(3) Full class discussions. You can contribute to full class discussions in a variety of ways, including listening actively, participating in demonstrations, posing questions in class based on lecture or classmate comments, or responding to questions or comments from others. Please make a conscious effort to practice all of these different forms of participation over the quarter. Participation is scored on quality (not quantity) of contributions.

(4) Reflection exercises in class (e.g., “4x6” written responses to questions). I will occasionally pose a question to the class and give you 5 minutes to write your answer on a 4x6 card. Questions will require reflective responses that draw explicitly on the assigned readings, but will not test specific factual knowledge. Submitting your answer on a card contributes to your class participation grade.

A note on attendance in class – *If you are not physically present in class, you will receive a -0- for that day of participation. Moreover, I try my hardest to make class engaging and dynamic whenever possible. This means we often do exercises, demonstrations, small group discussions, etc. in class and the success of these efforts is highly dependent on everyone being present in class on time. If you know you will not be able to attend class, out of respect for your colleagues’ learning, please let Prof. Jurcevic know as soon as possible so that I can do my best to adjust.*

MIDTERM EXAM (25% total)

There will be one exam in this course – a Midterm. The format of the exam will be a combination of short answer (fill-in-the-blank), multiple choice, and essay responses. All material discussed in lecture (including videos, demonstrations, and exercises), and course readings are fair game for the exam. This course stresses conceptual and translational understanding and application of decision making theories to public policy and this is reflected in the content of exams.

The Midterm Exam will take place on Monday, October 22nd from 11:30-1:00pm in Parrington Hall room 308. We will have lecture following the exam. If you are unable to be in class for this exam and have a valid reason (e.g., family emergency, medical emergency), you may be able to schedule a make-up exam date. You will need to notify Prof. Jurcevic as soon as possible and it will be at Prof. Jurcevic’s discretion if you are able to make up the exam.

EMPIRICAL OP-ED WRITING ASSIGNMENTS (35%)

One of the important steps in connecting decision-making theories and behavioral science to the world of public policy is translating the academic papers and research to a broader audience of government and public-sector officials. This is an important skill to learn and hone.

You will be asked to submit two opinion-editorial style articles digesting and commenting on an academic article for an audience that has little-if-any economics or policy experience with behavioral science research. These op-ed articles should both translate the research for

audiences and provide the author's insights and opinions on the research and whether it should be implemented into policy designs and interventions. Additional Guidelines on what to include in this op-ed will be provided in class.

A Note on Grading and Submissions - Late assignments will be deducted 0.3 GPA points (out of 4.0) for every day that they are late. All homework assignments are due via Canvas before the start of class on the day they are due. Assignments will be posted on Canvas.

FINAL GROUP ASSIGNMENT (25%)

Any final group assignment received after the due date will be docked 0.3 (out of 4.0) for each day it is late. For example, if your assignment is turned in 1 day late, the highest grade you can receive is a 3.7.

Over the quarter, you will be asked to create a multi-media project analyzing a particular public policy problem, topic, or public-sector relevant behavior, *using the lessons of decision-making theories and behavioral science*. You may pull from course topics or you may generate your own. The final group project will be comprised of 2-3 person teams (group members determined in class) and you will be responsible for presenting your recommendation for changing a policy and swaying public opinion using media (e.g., you might use text, graphics, videos, animation, music, etc.). Your group will present your 3-4 minute multimedia analysis in class during Week 11. You will be given additional details on the presentation requirements in class.

In addition to putting together the presentation, as a group, you will submit a memo to a relevant party (e.g., Get out the Vote, Sound Transit, POTUS) about your policy design, intervention, or political insight. This memo should be no more than 5 pages with 1-inch margins, 12-point Times New Roman font, double-spaced. It is important to have a clear structure to your memo and communicate concisely and clearly in the limited amount of space. You will present your video and memo to the class during Week 10.

Topic Examples:

- You might make a video to get millennials to go out and vote
- You might make a video to shape voters' policy views on environmental protection
- You might propose an intervention to solve a societal problem

In all cases, you must think critically about the role of decision making, human psychology, and behavioral science in informing your recommendations for better policy design and interventions. All groups will make a presentation and write a memo about the behavioral insights guiding your campaign to an organization of your choice. Additional guidance will be provided in class.

EXTRA CREDIT

Option 1: Part of class in Week 4 & Week 11 will be spent doing a short review for the exams. You can earn up to 2% extra credit on the Midterm by bringing in 4 **typed** questions (topics, concepts, or ideas you do not understand) to class in Week 4.

To get the extra points on your exams, these questions **MUST**:

- Be typed

- Include the page number from the text, chapter, article or the lecture topic that this question comes from
- Explain WHY you don't understand this topic
- Questions for the final must be different than questions for the midterm

Option 2: You are encouraged to make connections between the course material and current events. As such, you may also earn up to 2% extra credit by making a connection between current events and the course material and sending that to Prof. Jurcevic. To receive full credit

- (1) Email me an example that you find (e.g., news stories, video clips, podcast, etc.) that relate to the course material in some way that you have identified.
- (2) Include a brief (10 sentence) explanation of how the current event connects to class material.

CLASSROOM PROCEDURES

CONVERSATION NORMS

In and outside of class, I expect and encourage you to practice the Evans School's Community Conversation Norms:

At the Evans School, we value the richness of our differences and how they can greatly enhance our conversations and learning. As a professional school, we also have a responsibility to communicate with each other—inside and outside of the classroom—in a manner consistent with conduct in today's increasingly diverse places of work. We hold ourselves individually and collectively responsible for our communication by:

- **Listening** carefully and respectfully
- **Sharing** and teaching each other generously
- **Clarifying** the intent and impact of our comments
- **Giving and receiving** feedback in a "relationship-building" manner
- **Working** together to expand our knowledge by using high standards for evidence and analysis

More generally, please be respectful of your classmates' thoughts and opinions. In this course we will explore a variety of socially sensitive topics and also engage with the many cognitive and psychological biases that lead people to make less than optimal decisions (and we will often discover that we are not immune to these same processes). We will engage these topics directly but respectfully in order to explore important mechanisms and theories that underlie policy beliefs, actions and policy design. Consequently, this course may have an emotional impact on many of us. If you are willing to assume that everyone's perspective is likely to have some merit, it is my sincere belief that you will leave this course equipped with strategies for thinking about important and complex social issues throughout your life.

STUDENT ACADEMIC CONDUCT

Students at the Evans School are expected to maintain the highest standards of academic conduct, and, of course, most do. Cheating harms the person cheating, as it deprives them of

the opportunity to learn the material. It also harms honest students who are frustrated by the unfairness of cheating that goes undetected and therefore unpunished.

Academic misconduct occurs if you present as your own work something that you did not do. It is also considered academic misconduct if you help someone else present work that is not his or her own.

PLAGIARISM

One of the most common forms of cheating is *plagiarism*, which is using another's words or ideas without proper citation. When students plagiarize, they usually do so in one of the following six ways:

- Using another writer's words without proper citation.
- Using another writer's ideas without proper citation.
- Citing your source but reproducing the exact words of a printed source without quotation marks.
- Borrowing the structure of another author's phrases or sentences without crediting the author from whom it came.
- Borrowing all or part of another student's paper or using someone else's outline to write your own paper.
- Using a paper writing "service" or having a friend write the paper for you.

EXAMS

Another common form of cheating involves exams. The following will all be considered violations of the student conduct code:

- Copying from someone else's exam, or allowing another student to copy from your exam;
- Aiding another student during an exam where collaboration is prohibited, including talking, signs, gestures, or sharing notes;
- Using notes (unless expressly allowed by the teacher, in which case notes must follow their specifications);
- Using any electronic device such as a tablet, laptop, or mobile phone unless expressly permitted by the instructor;
- Altering an exam for re-grading;
- Getting an advance copy of the examination;
- Using a surrogate test-taker;
- Working together on a take-home exam when an instructor forbids collaboration;
- Deliberately delaying turning in a timed class exam; such a delay would unfairly give that student extra time and will be considered a form of cheating.

LYING

Lying encompasses the following: the willful and knowledgeable telling of an untruth, as well as any form of deceit, attempted deceit, or fraud in an oral or written statement relating to academic work. This includes, but is not limited to, the lying to administration and faculty members, and falsifying any university document by mutilation, addition, or deletion.

WHAT HAPPENS IF THERE IS A SUSPECTED VIOLATION?

It is the responsibility of the entire Evans School community to uphold its academic standards and integrity. It is the Evans School's policy that instructors maintain discretion over whether and how any suspected academic misconduct should be reflected in the grade for that assignment, exam, or for the course. This may include a zero grade. Students who disagree with the instructors' assessment should follow the University's normal grade appeal process. Proven academic misconduct as outlined above could also result in disciplinary action from the University. In addition, instructors who suspect misconduct will report the misconduct to the Evans School's Assistant Dean of Students and the Associate Dean for Academic Affairs.

WHAT SHOULD I DO IF I'M UNSURE IF SOMETHING WOULD BE A VIOLATION?

As a member of this community, you are obligated to uphold the fundamental standards of honesty, respect and integrity, and you accept the responsibility to encourage others to adhere to these standards. If you are uncertain about whether a particular action constitutes academic misconduct, please ask Prof. Jurcevic for guidance *before* an assignment is due

APPEAL PROCEDURES

Students in the Evans School's undergraduate program have the right to appeal grades and academic probation and dismissal decisions according to the process outlined in the UW's Student Academic Grievance Procedures and Student Conduct Code on Appeals. Students who want to appeal a grade must first discuss the matter with the relevant faculty member. Students who 1) are not able to resolve a grade appeal request with the relevant faculty member, 2) have been placed on probation, or 3) have been dismissed from the major, and who believe that some facts or documentation have been overlooked or misinterpreted may request reconsideration of the grade or decision by writing a letter to the Assistant Dean of Students and the Associate Dean of Academic Affairs within 30 days of the initial decision. The Assistant Dean of Students and the Associate Dean for Academic Affairs, may bring the matter to the Dean at their discretion. If the matter cannot be resolved with the Evans School, then the student may pursue the formal UW appeals process.

STUDENT RESOURCES

WRITING CENTER

The Odegaard Writing & Research Center is open to all members of the University of Washington community and feature tutors and librarians to help you with your writing and research needs. You can schedule an appointment or drop-in. (for more information: <http://www.lib.washington.edu/ougl/owrc>)

WELL-BEING RESOURCES

If you are feeling overwhelmed, stressed, or isolated, there are many individuals here who are ready and wanting to help. If you are stressed about aspects of this class, please meet with Prof. Jurcevic so that we may discuss options. If you have non-class related concerns, you are still more than welcome to meet with me. My office is a safe space where you are always welcome.

In addition, the Hall Health Center offers Counseling and Psychological Services (CAPS) for individual and group sessions with students. Call (206) 543-5030 to get started and schedule an appointment. If you prefer to speak anonymously and confidentially over the phone, call 206-583-1551 or call King County Crisis after hours (206) 461-3222).

ACCESS AND ACCOMMODATIONS:

Your experience in this class is important to me. If you have already established accommodations with Disability Resources for Students (DRS), please communicate your approved accommodations to me at your earliest convenience so we can discuss your needs in this course.

If you have not yet established services through DRS, but have a temporary health condition or permanent disability that requires accommodations (conditions include but not limited to; mental health, attention-related, learning, vision, hearing, physical or health impacts), you are welcome to contact DRS at 206-543-8924 or uwdrs@uw.edu or disability.uw.edu. DRS offers resources and coordinates reasonable accommodations for students with disabilities and/or temporary health conditions. Reasonable accommodations are established through an interactive process between you, me, and DRS. It is the policy and practice of the University of Washington to create inclusive and accessible learning environments consistent with federal and state law.

CLASS MEETINGS AND TECHNOLOGY USED

Class meetings will include lectures, video clips, demonstrations, exercises and guest speakers. Questions and contributing to class discussions are strongly encouraged. Students are expected to attend every class. *Lecture will expand on course readings by covering some topics in detail while also introducing new concepts and research not discussed in the readings.* Because lecture and discussion sections will have only partial overlap with readings, class attendance is necessary for acquiring course content.

Students are able to check out laptops from UW.

- For short-duration computer loans (up to 72 hours):
<http://www.lib.washington.edu/ougl/learning-spaces/macbook>
- For longer computer loans (up to 31 business days):
<https://itconnect.uw.edu/service/student-technology-loan-program/>

SCHEDULE AND ASSIGNED READINGS

To prepare for class each week, you will need to read teaching cases, articles, and book chapters, and listen to the occasional podcast. The pages that follow organize the readings by week of the quarter and content covered.

Please note that sometimes class plans may need to deviate from below to better accommodate learning, if this is the case, you'll be given ample notice of changes.

**Please be careful to note which readings should be done before class each week and which readings should be done after class. These distinctions are important to allow you to get the most out of the class and push your learning.

Week	In Class Topic	Due/Activities	Readings
1	No Class	Pre-Course Survey Due 9-29-2018	<ul style="list-style-type: none"> Pre-Course Survey Laptops Are Great. But Not During a Lecture or a Meeting (Nov. 22, 2017). https://nyti.ms/2JNTRdS
2 Oct. 1	Decision Making I - Introduction to Behavioral Science Introduction to Class	<ul style="list-style-type: none"> None 	Read <i>After Class</i> <ul style="list-style-type: none"> Wilson (2015). <i>Redirect</i> (pp. 3-38) Becker, G. (1976). <i>The Economic Approach to Human Behavior</i>. Chicago: University of Chicago Press. <i>Introduction. (denser reading)</i> Fox, J. (2015, May). From “economic man” to behavioral economics: A short history of decision making. <i>Harvard Business Review</i>, 93(5), 79-85.
3 Oct. 8	Decision Making II - Dual Systems Model - Common Heuristics & Biases in Decision-Making	<ul style="list-style-type: none"> Student Presenters (2) 	Read <i>Before Class</i> : <ul style="list-style-type: none"> Ayres, I. (2007). <i>Super Crunchers</i>. Bantam Books: New York, NY. Chapter 2: Creating Your Own Data with the Flip of a Coin. Ariely (2008). <i>Predictably Irrational</i> (Chapters 2) Read <i>After Class</i> (student presenters may read this before class): <ul style="list-style-type: none"> Bazerman, M. H. & Moore, D. A. (2009). Common biases. Chapter 3 of <i>Judgment in Managerial Decision Making</i>. New York: John Wiley & Sons. (Skip bias 10).
4 Oct. 15	Decision Making III - Default and Choice Overload - Cataloging Heuristics & Biases Thinking about Nudging <ul style="list-style-type: none"> Small changes, Big Effects 	<ul style="list-style-type: none"> Midterm Extra Credit Questions Student Presenters (2) 	<ul style="list-style-type: none"> Thaler, R., & Sunstein, C. (2008). <i>Nudge</i>. Ch. 1, 4, & 9 Watch this TED Talk: www.ted.com/talks/barry_schwartz_on_the_paradox_of_choice.html Additional Readings for Clarification: <ul style="list-style-type: none"> Bazerman, M. H. & Moore, D. A. (2009). <i>Judgment in Managerial Decision Making</i>. New York: John Wiley & Sons. (Pg 60-66; 82-100).
5 Oct. 22	Part 1: Midterm Part 2: Thinking about the Group: How does belonging to a group shape decision-making?	<ul style="list-style-type: none"> None 	Read <i>After Class</i> (<i>you do not need to read these before class – study for the midterm</i>) <ul style="list-style-type: none"> Thaler, R., & Sunstein, C. (2008). <i>Nudge</i>. Chapter 3 Sunstein, C. R., & Hastie, R. (2014). Making Dumb Groups Smarter
6 Oct. 29	Scarcity – Consequences of Having or Perceiving you have too little Guest Speaker: Alicia Atkinson, The Prosperity Agenda	<ul style="list-style-type: none"> Student Presenters (3) 	<ul style="list-style-type: none"> Bertrand, M., Mullainathan, S. & Shafir, E. (2004). A behavioral-economics view of poverty. <i>The American Economic Review</i>, 94(2), 419-423. Mani, A., Mullainathan, S., Shafir, E., & Zhao, J. (2013). <i>Poverty impedes cognitive function</i>. <i>Science</i>, 341(6149), 976-980. Lucas, R. E., Clark, A. E., Georgellis, Y., & Diener, E. (2004). Unemployment alters the set point for life satisfaction. Spend about 15 minutes learning about “The Prosperity Agenda” – our guest speaker will be joining us to share more about the organization.

7 Nov. 5	Fairness & Ethics in Decision Making - Moral Fading, Procedural Fairness, and Perceptions of Fairness	<ul style="list-style-type: none"> • Student Presenters (3) • Empirical Op-Ed #1 	<ul style="list-style-type: none"> • Bazerman & Tenbrunsel (2011). Blind spots. (Chapters 3-5) • Brafman, O. & Brafman, R. (2008). <i>Sway: The Irresistible Pull of Irrational Behavior</i>. Broadway Books: New York, NY. <i>Chapter 6: In France, the Sun Revolves around the Earth.</i>
8 Nov. 12	No Class – Veterans’ Day Observation	<ul style="list-style-type: none"> • Final Project Proposal 	
9 Nov. 19	Influence & Persuasion - Motivation - Emotional & Social Comparison	<ul style="list-style-type: none"> • Student Presenters (3) • Empirical Op-Ed #2 	<ul style="list-style-type: none"> • Schultz et al (2007). The constructive, destructive, and reconstructive power of social norms • David Just and Joseph Price (2013). "Using Incentives to Encourage Healthy Eating in Children." <i>Journal of Human Resources</i> 48(4): 855-872. • Ariely, Dan, Anat Bracha, and Stephan Meier. "Doing good or doing well? Image motivation and monetary incentives in behaving prosocially." <i>The American Economic Review</i> (2009): 544-555.
10 Nov. 26	Limits and Boundaries - Ethics of Choice Architecture, Liberal Paternalism, and Nudging Guest Speaker: Mariana Preciado, Bill & Melinda Gates Foundation	<ul style="list-style-type: none"> • Student presenters (3) 	<ul style="list-style-type: none"> • Benartzi, S. et al. (2017). Should government invest more in nudging? <i>Psychological Science</i>, 28(8), 1041-1055. • Watch: Behavioral Insights Team: A New Approach to Leading Policy Change. https://www.youtube.com/watch?v=raAiNMV2E1o • Glaeser, E. L. (2005) Paternalism and Psychology. National Bureau of Economic Research • Spend about 15 minutes learning about the Bill and Melinda Gates Foundation – our guest speaker is from the K-12 education section of the Foundation and will be joining us to share more about how the organization chooses what projects to fund.
11 Dec. 3	Final Project Presentation Course Wrap Up and Review	<ul style="list-style-type: none"> • Final Project Presentation • Final Project Memo 	<ul style="list-style-type: none"> • None – come to class ready to engage with your classmates ideas!