

Policy Research: The Art of Creating Convincing Evidence

Introduction to Policy Research

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Research Purpose

What is the purpose of research?

In a nutshell, research is the process by which we answer an open question we have about the world.

A good question involves 3 ingredients:

- A theory about the way the world works
- An unknown aspect of the world implied by the theory
- A way to observe the unknown aspect of the world and learn from it

Researchers are basically people who never grew out of the “but why?” phase of childhood.

Policy Research Purpose

Policy research functions much the same way:

- A problem has been identified
- A policy - informed by theories about the problem - has been implemented
- An observable effect on the problem and related areas can be documented

A policy researcher has an advantage in that often theories about a problem and policy solution can come from external actors - elected officials, administrators, advocates, public debates or news coverage all regularly provide theories about the world.

The disadvantage: policy is an interdisciplinary area so the starting point for a problem can be more difficult to discern.

What is Theory

Theory provides a simple model for understanding why some aspect of the world functions the way that it does.

Theory is necessarily simplified to a set of limited and most immediately relevant factors in the function we are thinking about.

Disciplines and Theory

Many academic disciplines can be defined by a combination of their share philosophy of research methods and the theories that guide their research enterprises. For instance:

- Economics focuses on utility maximization, incentives, and exchanges between people.
- Sociology focuses on social relationships, norms, cultures, and institutions.
- Political Science focuses on the rules of government and how people respond and behave according to different sets of governing rules and institutions.
- Psychology focuses on cognitive processes, emotional responses, and motivations behind behaviors.

Collectively, alongside technical issues from STEM fields, these major disciplines provide theoretical foundations for many of the issues we encounter in studying public policy.

Example - School Accountability

Problem: Concern in the 1980's that Americans were falling behind internationally in terms of literacy and knowledge of mathematics.

Theory: Schools do not face accountability pressures from the public regarding student growth or performance.

What is a research question?

A research question asks about something related to the theory driving the question.

People dislike frictions in their daily lives, so do bus schedules have a strong influence on whether people ride the bus?

The text in red provides a theory about the basic state of the world and the text in blue gives us a research question about a transit policy that we might be able to answer and, in doing so, speak to the validity of the theory.

A Good Research Question

A good research question:

- Can be answered with the collection of observable data
- Can provide general insights about the theory driving the question
- Contains an implied hypothesis about the world related to the underlying theory

School Accountability

Some example questions:

- How do schools affect student learning? (Dobbie and Fryer 2011; Holt and Gershenson 2019)
- Does sharing information about school performance change or improve school operations? (Craig, Imberman, and Perdue 2015)
- Does giving teachers bonuses change school performance? (Holt 2022)
- Are there other outcomes that schools produce? (Jackson 2018)

Inflation Reduction Act - Carried Interest

Policy: Tax “carried interest” on anything held less than 5 years at the same rate as wages (from 24% to 37%).

Theory: A lower tax rate might incentivize a priority on investment returns. However, in addition to normative equity concerns, it might also lead to a focus on short-run returns and excess risk.

Research Questions:

Data:

Inflation Reduction Act - Tax Credits for Efficient Appliances

Policy: Offer tax credits for the purchase of heat pumps, solar, electric HVAC and electric water heaters.

Theory: The tax credit lowers the net cost of the latest technology to incentivize otherwise costly updates. May also indirectly boost production in the long-run.

Research Questions:

Data:

Community Policing - Assigned Beat Officers

Policy: Assign the same police officers to stable patrol beats for a predictable and long rotation.

Theory: Police officers who work a predictable beat - even when not actively responding to an enforcement call - develop better community knowledge and relationships.

Research Questions:

Data:

In-Class Exercise

Link to the Exercise

References I

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- Holt, Stephen B. 2022. "For the Children? Teachers Motivation and Systems for Recruitment, Retention, and Evaluation." In, 264–83. <https://www.elgaronline.com/view/edcoll/9781789906790/9781789906790.00025.xml>.

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