Public Policy in an Uncertain World: Analysis and Decisions

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A **cemmap** masterclass supported by the British Academy
25 – 26 March 2013

This masterclass will discuss Manski's new book ***Public Policy in an Uncertain World: Analysis and Decisions*** (Harvard University Press, 2013) and technical articles that form the foundation for the book. In the book, Manski describes the practice of policy analysis and the inferential problems that researchers confront. He argues that credible analysis typically yields interval rather than point predictions of policy outcomes. He examines how governments might reasonably make policy decisions when they only have partial knowledge of policy outcomes.

Programme

Monday 25 March

10:30 – 11:00:	Registration, coffee *(South Cloisters)*
11:00 – 12:30:	Session 1: *Policy Analysis with Incredible Certitude*
12:30 – 13:30:	Lunch *(South Cloisters)*
13:30 – 15:00:	Session 2: *Predicting Policy Outcomes*
15:00 – 15:30:	Break *(South Cloisters)*
15:30 – 17:00:	Session 3: *Predicting Behavior*

Tuesday 26 March

08:45 – 09:00:	Coffee *(South Cloisters)*
09:00 – 10:30:	Session 4: *Planning with Partial Knowledge, Diversified Treatment*
10:30 – 11:00:	Break *(South Cloisters)*
10:00 – 12:30:	Session 5: *Two Problems in Medical Decision Making*
12:30 – 13:30	Lunch *(South Cloisters)*
13:30 – 15:00	Session 6: *Policy Analysis for Decisions*

Summary of the Book

Part I (Chapters 1 - 3) describes the practice of policy analysis and the inferential problems that researchers confront. I argue that credible analysis typically yields interval rather than point predictions of policy outcomes. Part II (Chapters 4 - 6) examines how governments might reasonably make policy decisions when they only have partial knowledge of policy outcomes.

Chapter 1 documents the tendency of researchers to use incredibly strong assumptions to obtain strong findings about policy. I call attention to and give illustrations of six practices that contribute to incredible certitude: conventional certitude, dueling certitudes, conflating science and advocacy, wishful extrapolation, illogical certitude, and media overreach.

The practices described in Chapter 1 indicate that consumers of policy analysis cannot safely trust the experts. Thus, civil servants, journalists, and concerned citizens need to understand prediction methods well enough to be able to assess reported findings. With this in mind, Chapters 2 and 3 describe various conventional approaches that use strong assumptions to obtain strong conclusions. I additionally describe approaches that I have developed, which use weaker assumptions to obtain interval predictions.

Chapters 4 and 5 examine policy choice by a *planner*. I use basic principles of decision theory to frame the problem of planning with partial knowledge and give illustrations. Chapter 5 applies the framework for planning with partial knowledge to the problem of allocating a population to two treatments. I propose *adaptive diversification* as a strategy to cope with uncertainty and reduce it over time. The concluding Chapter 6 ties Parts I and II together.