#### **Evidence-Informed Policy**

POLSCI 4SS3 Winter 2024

# Policy

- **Policy** is an umbrella term to describe government programs or operations at different levels
- Examples:
  - How long should form 57B be?
  - Should we get help from private clinics to clear surgey backlogs?
  - Should the education budget increase?
  - When should the next federal election be held?

#### **Evidence-Informed**

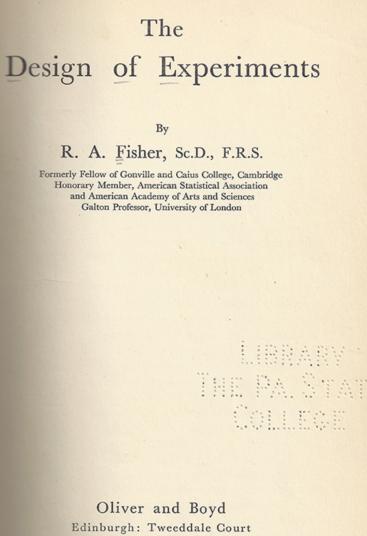
- Of course we want to base policy on evidence!
- But there is no *objective* evidence when it comes to human behavior
- We say evidence-*informed* because the best we can do is try to prove ourselves wrong, but we cannot *base* policy on evidence the same way medicine does

#### Two approaches

- 1. Evidence as insight
- 2. Evidence as evaluation

# How can you determine if a policy works?

#### Example



London: 33 Paternoster Row, E.C.

1935

### The lady tasting tea

A lady declares that by tasting a cup of tea made with milk she can discriminate whether the milk or the tea infusion was first added to the cup

How do you **evaluate** this claim?

#### An experiment

- Suppose we have eight milk tea cups
- 4 milk first, 4 tea first
- We arrange them in random order
- Lady knows there are 4 of each, but not which ones

#### Results

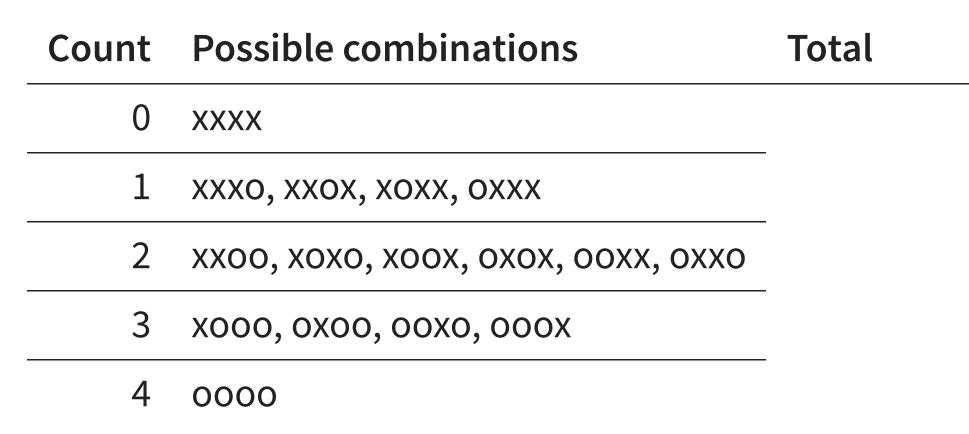
#### **True Order**

Lady's Guesses	Tea First	Milk First
Tea First	3	1
Milk First	1	3

- She gets it right 6/8 times
- What can we conclude?

#### Problem

- How does "being able to discriminate" look like?
- Same for policy, we don't know how the world where the policy works look like
- But we **do know** how a person without the ability to discriminate milk/tea order looks like
- This lets us make **probability statements** about this **hypothetical world of no effect**



• This is symmetrical!

Count	Possible combinations	Total
0	XXXX	
1	xxxo, xxox, xoxx, oxxx	
2	χχοο, χοχο, χοοχ, οχοχ, οοχχ, οχχο	
3	x000, 0x00, 00x0, 000x	
4	0000	

Count	Possible combinations	Total
0	XXXX	1  imes 1 = 1
1	xxxo, xxox, xoxx, oxxx	4 imes 4=16
2	xxoo, xoxo, xoox, oxox, ooxx, oxxo	6 imes 6=36
3	x000, 0x00, 00x0, 000x	4  imes 4 = 16
4	0000	$1 \times 1 = 1$

- A person just guessing gets 6/8 cups right with probability  $rac{16}{70}pprox 0.23$ 

Count	Possible combinations	Total
0	XXXX	$1 \times 1 = 1$
1	xxxo, xxox, xoxx, oxxx	4 imes 4=16
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3	x000, 0x00, 00x0, 000x	4 imes 4=16
4	0000	$1 \times 1 = 1$

- And at least 6/8 cups with  $rac{16+1}{70}pprox 0.24$ 

#### p-values

- If the lady is **not** able to discriminate milk-tea order, the chance of observing 6/8 correct guesses or better is 24%
- We can translate this to general statements about policies or experiments
- *If* the **null hypothesis** of no effect is true...
- ... the **p-value** is the probability of observing a result *equal* or more extreme than what is originally observed
- Smaller p-values give more evidence **against** the null, which helps us make a case for the policy having an effect

## **Diagnosing hypothesis tests**

- A convention in the social sciences is to claim that something with p<0.05 is statistically significant^1  $\,$
- Committing to a significance level implies accepting that sometimes we will get p<0.05 by chance
- This is a **false positive** result
- A good answer strategy as a controlled false positive rate (more in the lab!)

# Next Two Weeks Field Experiments

Focus on: Research design alternatives

#### **Break time!**



