How to Write a Policy Memo

Pete Wilcoxen
The Maxwell School, Syracuse University
July 2018

1

The Big Picture

- Purpose:
  - Inform a **policy maker** about the **consequences of an action**

- Content:
  - **Facts** and **supported inferences** – not opinions or speculation
  - **Authoritative** – able to be trusted as accurate and reliable
  - **Concise** and **focused** – avoid minor or tangential issues

- Quality:
  1. Good: to be **read** and **understood**
  2. Better: make sure the policy maker is **well informed**
  3. Best: policy maker **forwards the memo** to others

2

Plan for the Session

1. Introduce an example policy scenario
2. Carry out the analysis
3. Storyboard the memo
4. Questions and links for additional information

3

Scenario: Tax on Ride Sharing Services

- Handout 1: Policy Issue
  - "Policy Scenario: Hypothetical Tax on Ride Sharing Services"
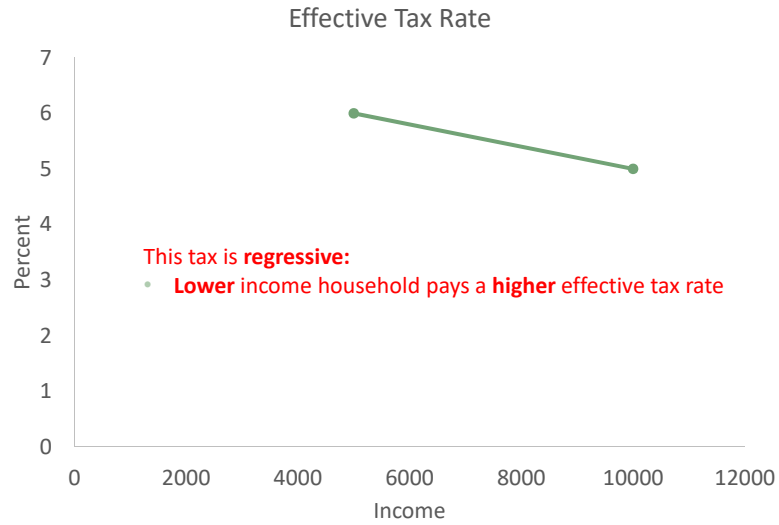
4

Effective tax rate

- Equivalent tax on income:

$$ETR = \frac{Taxes\ Paid\ on\ Good}{Buyer's\ Income}$$

- Used to compare impacts by income group

5

Example: Alice and Bob

	Alice	Bob
Income	$10,000	$5,000
Quantity purchased	100	60
Tax per unit	$5	$5
Tax revenue paid	$500	$300
ETR calculation	$500/$10000	$300/$5000
ETR	0.05 or 5%	0.06 or 6%

6

Graphing the result

Effective Tax Rate

This tax is **regressive:**
- **Lower** income household pays a **higher** effective tax rate

7

Collecting data

- Handout 2: Data Available
  - "Alphaville Ridership Survey"

8

4

Analysis and inferences

- Handout 3: Analysis Needed
  - "Impacts of the Alphaville Ride Sharing Tax Proposal"

9

Authoritative, forwardable memos:

- **Specific Contents**
  - Explanation of proposal
  - Current situation
  - Sketch of analysis
  - Key results

- **Overall Characteristics**
  - Understandable by itself
  - Clear about starting facts
  - Clear about inferences
  - Avoid speculation

- **Exposition**
  - Will come back to in a bit

10

Organizing the memo

- One approach: storyboard the memo
- Blocks represent paragraphs, tables or graphs
- Start very coarse and then refine

11

High level structure

1. Short synopsis of proposed change
2. Key facts about current situation
3. Analysis and inferences
4. Short summary and caveats

12

Refining the facts section

1. Short synopsis of proposed change
2. Key facts about current situation
3. Analysis and inferences
4. Short summary and caveats

1. Short synopsis of proposed change
2.1 Current situation in Alphaville
2.2 Experience of Betatown
3. Analysis and inferences
4. Short summary and caveats

13

First refinement of inferences: who

1. Short synopsis of proposed change
2.1 Current situation in Alphaville
2.2 Experience of Betatown
3. Analysis and inferences
4. Short summary and caveats

1. Short synopsis of proposed change
2.1 Current situation in Alphaville
2.2 Experience of Betatown
3.1 Impacts on riders
3.2 Impacts on drivers
3.3. Impacts on government
4. Short summary and caveats

14

Second refinement of inferences: details

1. Short synopsis of proposed change
2.1 Current situation in Alphaville
2.2 Experience of Betatown
3.1 Impacts on riders
3.2 Impacts on drivers
3.3. Impacts on government
4. Short summary and caveats

1. Short synopsis of proposed change
2.1 Current situation in Alphaville
2.2 Experience of Betatown
3.1 Impacts on riders
• How determined?
• Results per rider
• Results for riders as a group
3.2 Impacts on drivers
3.3. Impacts on government
4. Short summary and caveats

15

Refinement of other inferences

1. Short synopsis of proposed change
2.1 Current situation in Alphaville
2.2 Experience of Betatown
3.1 Impacts on riders
• How determined?
• Results per rider
• Results for riders as a group
3.2 Impacts on drivers
3.3. Impacts on government
4. Short summary and caveats

1. Short synopsis of proposed change
2.1 Current situation in Alphaville
2.2 Experience of Betatown
3.1 Impacts on riders
• How determined?
• Results per rider
• Riders as a group
3.2 Impacts on drivers
• How determined?
• Drivers as a group
3.3. Impacts on government
• How determined?
• Impacts on revenue
4. Short summary and caveats

16

Headings and content of the memo

- See handout

17

Authoritative, forwardable memos:

- **Exposition**
  - Be concise: avoid tl;dr
  - Avoid "we"
  - Avoid "you"

  - Use appropriate paragraphs
  - Use correct grammar and spelling
  - Use whitespace well

  - Don't talk down to the reader
  - Avoid hyperbole
  - Avoid jargon wherever possible

- **Read over and edit!**

Readers will judge the care that went into the **analysis** from the care that went into the **document**.

18

Additional advice

- On the web:
  - http://wilcoxen.maxwell.insightworks.com/pages/4443.html

- In print:
  - Strunk, William and E.B. White, *The Elements of Style*.
  - Smith, Catherine F, *Writing Public Policy*

19