



Benefit-Cost Analysis for Beginners

SBCA Professional Development Workshop

April 28, 2023

For more information and to register:

<https://www.benefitcostanalysis.org/workshops>

Description: This short course provides an introduction for “beginners” who have not previously had formal instruction in benefit-cost analysis. It is designed to help those who encounter benefit-cost analysis to better understand its purpose and methods as well as those who are curious about how it might be useful in their work. Although some prior exposure to economics would be helpful, the workshop is designed to be accessible to a general audience. Upon completion of the workshop, attendees should have a clear understanding of the purpose, underlying concepts, strengths, and weaknesses of benefit-cost analysis.

The workshop will compare benefit-cost analysis to other analytical approaches commonly employed by policy analysts to put it into perspective. It will also introduce and explain a number of key benefit-cost analysis concepts including standing (whose costs and benefits count), incremental costs and benefits (clear alternatives to current policy), opportunity cost (what we give up to do the alternative), willingness to pay (how much people value the impacts of the alternative), “shadow prices” (monetizing impacts), discounting (taking account of the timing of costs and benefits), and sensitivity analysis (taking account of uncertainty). Several examples of benefit-cost analyses will be discussed to provide illustrations of concepts and facilitate discussion among attendees.

Instructors



[Glenn C. Blomquist](#) is Carl F. Pollard Professor Emeritus of Health Economics and Professor Emeritus of Economics and Public Policy at the University of Kentucky. His work deals with valuation of risks to human health, urban and environmental amenities, and benefit-cost analysis. He has been a Fulbright Scholar in Latvia and visiting professor at Stockholm School of Economics and University of Chicago. He served as editor of the [Journal of Benefit-Cost Analysis](#) and president of the Society for Benefit-Cost Analysis. He is a graduate of Ohio Wesleyan University, B.A., Ohio State University, M.A., and the University of Chicago, Ph.D.



[David L. Weimer](#) is Edwin E. Witte Professor of Political Economy at the University of Wisconsin–Madison. His recent research addresses health policy and governance. He is the author of *Behavioral Economics for Cost-Benefit Analysis* (2017) and co-author of *Cost-Benefit Analysis 5th ed.* (2018). He served as president of the Society for Benefit-Cost Analysis and the Association for Public Policy Analysis and Management and is a Fellow of the National Academy of Public Administration. He is a graduate of the University of Rochester and earned his Ph.D. from the University of California, Berkeley.

