Exercise 2: Analysing a Reform

Programming, running, and analysing a policy reform

# Objectives

* Copy and paste a policy system.
* Introduce a simple policy reform to the copied policy system.
* Assess the redistributive effects of the reform.

# Directions

In this exercise we will raise the value of the child benefit applicable for the first child in the UK in 2026 by £10 per week and use the Statistics Presenter to analyse the associated distributional effects.

* Open UKMOD and access the UK policy descriptions.
* Copy the *UK\_2026* system and call the copy *UK\_2026\_ex2*.
* Open the child benefit policy (*bch\_uk*).
* Find the parameter name defining the benefit value for the first child.
* Check the default value for this parameter.
* In system *UK\_2021\_ex2*, replace the parameter so that the benefit increases by £10 per week.
	+ Note that *#w* denotes weekly values in the model, so 5.00#w would indicate £5 per week.
* Save the above changes.
* Run both *UK\_2026* and *UK\_2026\_ex2*.
* Use the Statistics Presenter’s *Baseline/Reform* template to analyse the distributional effects.