

**Fulbright Economics Teaching Program  
Master in Public Policy  
Academic Year 2014-2015  
Fall Term**

**SYLLABUS  
Introduction to Public Policy and Institutional Analysis**

**Class Times**

Tuesday and Thursday: 8:30 – 10:00, September 30 – November 20, 2014

**Teaching Team**

Instructor: Nguyen Xuan Thanh ([thanhnx@fets.edu.vn](mailto:thanhnx@fets.edu.vn))  
Rainer Assé ([rainer.asse@fets.edu.vn](mailto:rainer.asse@fets.edu.vn))  
Tutor: Vu Nhat Phuong

**Office Hours:**

	Mon	Tue	Wed	Thu	Fri
N. X. Thanh	16:30-17:30		16:30-17:30		16:30-17:30
Rainer Assé	15:30-16:30		15:30-16:30	15:30-16:30	
V.N. Phuong				15:30-17:00	15:30-17:00

If the scheduled office hours are not convenient, please make specific appointments with the instructors.

**Course Objective**

The objective of this course is to introduce students to some key concepts in the study of public policy and relate them to concrete policy issues. Our aim is to demonstrate to students how the theories and techniques that they will study in greater depth in other classes can be applied to important economic and social policy problems.

The course also aims at equipping the students with important soft skills such as critical thinking, public speaking, working in groups, and presentation skills.

**Course Description**

The course consists of 16 classes held over eight weeks (half of the academic term). A new topic will be introduced each week and covered over two classes. Classes will take the form of lectures, discussions of specific policy issues, and case studies. Students are encouraged to participate in discussions and draw out policy and theoretical implications as a group. The course introduces the study of public policy in a market economy, and addresses key concepts including market and market failures, the role of the state, institutions, and sustainable development. We will also discuss problems in policy implementation and questions about values.

## Readings

There is no textbook for the course. Required and suggested readings are given in the class schedule below. Required readings are provided in Vietnamese and suggested readings may only be available in English. Students must read the required readings before coming to class, and must be ready to demonstrate that they have read and understand the required readings.

## Requirements

Students are expected to attend every class, to read the assigned readings before class, to participate actively in class discussions and to complete all course requirements. Participants are encouraged to meet with teaching team members to discuss any aspect of the course.

Each week, each student will write a policy memo focusing on a case study distributed for that week. Over 5 weeks (week 2-6), each student produces 5 policy memos, submitted by 08:20 every Thursday. Each policy memo should be at the minimum 450 words, optimally 750 words, and maximum 1200 words.

During the first week of class, students will be divided into separate groups. Each group will work together throughout the course to produce a report on a current policy issue in Vietnam, the controversies and debates surrounding it, and the authors' points of view. During the last week of the course, each group will present their report to the class.

Students' grades will be based on:

Policy Memo	30%
Class Participation	30%
Group Project	40%

## Class Schedule

Week/Date	Class	Topic
<b>Week 1</b>		<b>INTRODUCTION</b>
<b>30 Sep</b>	1	Case Study: Public Policy and Critical Thinking
<b>2 Oct</b>	2	Lecture: Modeling and Optimization
<b>Week 2</b>		<b>ECONOMICS AND PUBLIC POLICY</b>
<b>7 Oct</b>	3	Lecture: Economic Analysis for Public Policy
<b>9 Oct</b>	4	Case Study: Benefit and Cost Analysis
<b>Week 3</b>		<b>MARKETS AND THE STATE</b>
<b>14 Oct</b>	5	Lecture: The Power of the Market and the Role of Government
<b>16 Oct</b>	6	Case Study: Regulation
<b>Week 4</b>		<b>INSTITUTIONS</b>
<b>21 Oct</b>	7	Lecture: The Role of Institutions in Economic Development
<b>23 Oct</b>	8	Case Study: Institutional Analysis
<b>Week 5</b>		<b>SUSTAINABLE DEVELOPMENT</b>
<b>28 Oct</b>	9	Lecture: Does Conservation Facilitate Sustainable Development?
<b>30 Oct</b>	10	Case Study: Sustainability Indicators for Thai Binh Province
<b>Week 6</b>		<b>ENVIRONMENTAL POLICY</b>
<b>4 Nov</b>	11	Lecture: Socio-ecological Systems & Environmental Policy
<b>6 Nov</b>	12	Case Study: Tam Giang Lagoon – Hue Province
<b>Week 7</b>		<b>VALUES AND JUSTICE</b>
<b>11 Nov</b>	13	Lecture: Who Deserves What - Distribution, Freedom and Equality
<b>13 Nov</b>	14	Case Study: Liconsa and the Program of Social Assistance for Milk, HKS Case
<b>Week 8</b>		<b>GROUP PROJECT PRESENTATION</b>
<b>18 Nov</b>		Team 1 – 5
<b>20 Nov</b>		Team 6 – 10

## Reading list

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### WEEK 1: INTRODUCTION

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#### Class 1: Case Study on Public Policy and Critical Thinking

Long Thanh or Tan Son Nhat Airport, FETP Case

Richard Paul and Linda Elder, *Learning the Art of Critical Thinking*, Rotman Management, Winter 2014

#### Class 2: Lecture on Modeling and Optimization

Edith Stokey and Richard Zeckhauser, *A Primer for Policy Analysis*, Chapter 2.

Thomas Schelling, *Micromotives and Macrobehavior*, Chapter 1.

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### WEEK 2: ECONOMICS AND PUBLIC POLICY

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#### Class 3: Lecture on Economic Analysis for Public Policy

Joseph Stiglitz (1998) Distinguished Class on Economics in Government: “The Private Uses of Public Interests: Incentives and Institutions,” *Journal of Economic Perspectives*, Spring, 3-22.

Adam Smith, Self-interest vs. Benevolence as Incentives: [A Selection from \*An Inquiry into the Nature and Causes of the Wealth of Nations\*](http://www.econlib.org/library/Smith/smWN1.html), Book I chapter II. Edwin Cannan, ed. 1904. Library of Economics and Liberty. <<http://www.econlib.org/library/Smith/smWN1.html>>

#### Class 4: Case Study on Benefit and Cost Analysis

Tổng Công ty Đường sắt Việt Nam, Báo cáo đầu tư xây dựng công trình đường sắt cao tốc Hà Nội – TP.HCM, Hà Nội, tháng 3 năm 2010, Báo cáo tóm tắt.

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## **WEEK 3: MARKETS AND THE STATE**

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### **Class 5: Lecture on Market and the Role of Government**

Peter Nolan (2004) *China at the Crossroads*, Cambridge: Polity. Selection from Chapter 3, “Adam Smith and the contradictions of the free market economy,” pp. 145-173.

Milton and Rose Friedman (1980) *Free to Choose, A Personal Statement*, New York: Hartcourt Books. Introduction and Chapter 1: “The Power of the Market”. Also see: *Free to Choose* (1990), A TV Series by PBS, Vol. 1, [The Power of the Market](#).

John Cassidy (2009) *How Markets Fail*, New York: Farrar, Straus and Girous. Chapter 12, “Hidden Information and the Market for Lemons”

### **Class 6: Case Study on Regulation**

Milk Price Registration and Regulations in Vietnam: Will it Lower Milk Prices?” FETP Case.

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## **WEEK 4: INSTITUTIONS**

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### **Class 7: Lecture on the Role of Institutions in Economic Development**

Daron Acemoglu and James A. Robinson (2012). *Why nations fail: the origins of power, prosperity and poverty*, New York: Random House. Chapter 15: “Understanding prosperity and poverty.”

### **Class 8: Case Study on Institutional Analysis**

Ho Chi Minh City Ports, FETP Case, FETP Case.

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## **WEEK 5: SUSTAINABLE DEVELOPMENT**

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### **Class 9: Lecture on Conservation & Sustainable Development**

Hübner, A., Phong, L.T. & Châu, T.S.H., 2014, 'Good governance and tourism development in protected areas: The case of Phong Nha-Ke Bang National Park, central Vietnam', *Koedoe* 56(2), Bài số #1146, <http://dx.doi.org/10.4102/koedoe.v56i2.1146>)

### **Class 10: Case Study on Sustainability Indicators for Thai Binh Province**

Le Trinh Hai, Pham Hoang Hai, Pham Thi Thu Ha, Nguyen Manh Ha. "A System of Sustainability Indicators for the Province of Thai Binh, Vietnam", *Indicators Research* May 2014, Volume 116, Issue 3, pp 661-679)

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## **WEEK 6: ENVIRONMENTAL POLICY**

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### **Class 11: Lecture on Socio-ecological Systems & Environmental Policy**

Pomeroy, R., Nguyen, KAT, Thong, HX." Small-scale marine fisheries policy in Vietnam", *Marine Policy*, March 2009, Volume: 33, Issue:2, Pages: 419-428)

### **Class 12: Case Study on Tam Giang Lagoon – Hue Province**

Armitage, D., Marschke, M , 2013, "Assessing the future of small-scale fishery systems in coastal Vietnam and the implications for policy", *Environmental Science & Policy*, March 2013, Volume:27, Trang: 184-194)

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## **WEEK 7: VALUES AND JUSTICE**

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### **Class 13: Lecture on Distribution, Freedom and Equality**

Michael Sandel (2009) *Justice: What's the Right Thing to Do?* New York: Farrar, Straus and Giroux. Chapter 8: "Who deserves what?"

Vũ Thành Tự Anh, "Inequality in raising electricity price," *Saigon Times* 03/03/2011.

### **Class 14: Case Study on Social Policy**

Licons and the Program of Social Assistance for Milk, HKS Case

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## **WEEK 8: GROUP PRESENTATION**

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