

**Fulbright Economics Teaching Program  
Master in Public Policy  
Academic Year 2015-2016  
Fall Term**

**SYLLABUS  
Introduction to Public Policy**

**Class Times**

Tuesday and Thursday: 8:30 – 10:00, October 06 – November 26, 2014

**Teaching Team**

Instructor: Nguyen Xuan Thanh ([thanhnx@fetp.edu.vn](mailto:thanhnx@fetp.edu.vn))  
Group Report Supervisor: Le Thi Quynh Tram ([traml tq@fetp.edu.vn](mailto:traml tq@fetp.edu.vn))  
Group Report Supervisor: Huynh Trung Dung ([dunght@fetp.edu.vn](mailto:dunght@fetp.edu.vn))  
Guest Instructor: Le Viet Phu ([phulv@fetp.edu.vn](mailto:phulv@fetp.edu.vn))  
Tutor: Dang Huong Thao ([m7.thaodh@fetp.edu.vn](mailto:m7.thaodh@fetp.edu.vn))

**Office Hours:**

	Mon	Tue	Wed	Thu	Fri
N. X. Thanh	16:30-17:30		16:30-17:30		16:30-17:30
L. T. Q. Tram	16:00-17:30	16:00-17:30			
H. T. Dung		16:30-18:00	16:30-18:00		
D. H. Thao	15:30-16:30		15:30-16:30		15:30-16:30

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, sustainable development and equity. We will also discuss problems in policy implementation and questions about values.

## Readings

The course does not have a single textbook. Required and suggested readings are given in the class schedule below. Required readings are provided in English or 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 Report	40%

## Class Schedule

Week/Date	Class	Topic
Week 1		<b>INTRODUCTION</b>
6 Oct	1	Lecture: Public Policy and Critical Thinking
8 Oct	2	Lecture/Case Study: Studying Public Policy with the Case Method
Week 2		<b>MODELING</b>
13 Oct	3	Lecture: Modeling and Optimization
15 Oct	4	Simulation Exercise: Chile's Defense Policy - Maximization Subject to a Constraint
Week 3		<b>ECONOMICS AND PUBLIC POLICY</b>
20 Oct	5	Lecture: Economic Analysis for Public Policy
22 Oct	6	Case Study: Demand and Supply Analysis
Week 4		<b>MARKETS AND THE STATE</b>
27 Oct	7	Lecture: The Power of the Market and the Role of Government
29 Oct	8	Case Study: Regulation
Week 5		<b>INSTITUTIONS</b>
03 Nov	9	Lecture: The Role of Institutions in Economic Development
05 Nov	10	Case Study: Institutional Analysis
Week 6		<b>SUSTAINABLE DEVELOPMENT</b>
10 Nov	11	Lecture: Sustainable Development and Environmental Policy
12 Nov	12	Case Study: Sustainable Development Policy in Vietnam
Week 7		<b>VALUES AND DISTRIBUTION</b>
17 Nov	13	Lecture: Who Deserves What - Distribution, Freedom and Equality
19 Nov	14	Case Study: Liconsa and the Program of Social Assistance for Milk, HKS Case
Week 8		<b>GROUP PROJECT PRESENTATION</b>
24 Nov		Team 1 – 5
26 Nov		Team 6 – 10

## Reading list

- Required Reading
- Optional/Supplemental/Recommended Reading

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## WEEK 1: INTRODUCTION

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### Class 1: Lecture on Public Policy and Critical Thinking

- Richard Paul and Linda Elder (2014). “Learning the Art of Critical Thinking”, Rotman Management.
- William Dunn (2008). *Public Policy Analysis: An Introduction*, 4th edition, Pearson: Prentice Hall. Chapter 3: Structuring Policy Problems.

### Class 2: Studying Public Policy with the Case Method

- Learning by the Case Method, HKS Case Program.
- Long Thanh or Tan Son Nhat Airport, FETP Case.

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## WEEK 2: MODELING

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### Class 3: Lecture on Modeling and Optimization

- Edith Stokey and Richard Zeckhauser (1978). *A Primer for Policy Analysis*, New York: W.W. Norton and Company. Chapter 2.
- Thomas Schelling (1978). *Micromotives and Macrobehavior*, New York: W.W. Norton and Company. Chapter 1.

### Class 4: Simulation Exercise on Modeling and Optimization

- Chile's Defence Policy - Maximization Subject to a Constraint, FETP Case.
- The Economist, “Copper-bottomed”, 7 Feb 2002.

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## WEEK 3: ECONOMICS AND PUBLIC POLICY

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### Class 5: Lecture on Economic Analysis for Public Policy

- Harvey Rosen, Ted Gayer and Abdulkadir Civan (2014), *Public Finance*, Tenth Edition, McGraw-Hill. Chapters 2 & 3.
- Hal Varian (1989). What Use is Economic Theory? Mimeo.  
<<http://people.ischool.berkeley.edu/~hal/Papers/theory.pdf>>
- Adam Smith (1904). Self-interest vs. Benevolence as Incentives: [A Selection from \*An Inquiry into the Nature and Causes of the Wealth of Nations\*](#), Book I chapter II. Edwin Cannan, ed. Library of Economics and Liberty.  
<<http://www.econlib.org/library/Smith/smWN1.html>>

### Class 6: Case Study on Demand and Supply Analysis

- India Shedding Tears over Onion Prices, *International Journal of Case Studies in Management*.

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## WEEK 4: MARKETS AND THE STATE

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### Class 7: Lecture on Market and the Role of Government

- 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.
- 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](#).

### Class 8: Case Study on Regulation

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

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## **WEEK 5: INSTITUTIONS**

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### **Class 9: 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 10: Case Study on Institutional Analysis**

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

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## **WEEK 6: SUSTAINABLE DEVELOPMENT (GUEST LECTURES)**

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

- Perkins, Dwight, Steven Radelet and David Lindauer (2006). *Economics of Development*, New York: WW Norton and Company, 6th edition. Chapter 20.

### **Class 12: Case Study on Sustainable Development Policy in Vietnam**

- Ministry of Planning and Investment, 2012. *Implementation of Sustainable Development*, National Report at the United Nations Conference on Sustainable Development (RIO+20).

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## **WEEK 7: EQUITY AND DISTRIBUTION**

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### **Class 13: Lecture on Income Inequality and Distribution**

- Thomas Piketty (2014). *Capital in the Twenty-First Century*, Harvard University Press. Introduction.
- Michael Sandel (2009). *Justice: What's the Right Thing to Do?* New York: Farrar, Straus and Giroux. Chapter 8: “Who deserves what?”

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

- Liconsa and the Program of Social Assistance for Milk, HKS Case.

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## **WEEK 8: GROUP PRESENTATION**

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