



APPLIES TO ACADEMIC YEAR 2006/2007

## **GRA 5920 The Political Economy of Government: Public Policy and Reform**

### **Program**

Advanced Specialization Course (MSc), Master of Science in Political Economy

### **Responsible for the course**

Rune Sørensen

### **Department**

Public Governance

### **Term**

According to study plan

### **ECTS Credits**

6

This is one of the School's four courses dedicated to core questions in political economy, in this case public policy and the reform of public services. It is primarily designed for students taking the MSc in Political Economy and therefore assumes some knowledge of political processes and policy making.

The central themes include public goods and service provision, comparative public policy and public sector reform.

### **Objective**

This course focuses on questions related to the provision of public services and public sector reforms. Although advanced industrial countries face many of the same public policy problems such as aging populations, growing expectations, rising costs of public services and declining performance in some public sectors, they have responded to these problems in a wide variety of ways. The course takes a comparative approach to public policy, covering variations of public service provisions that range from extensive welfare states to those more heavily reliant on market-based solutions. It thus addresses the main categories of policy instruments that can be used in a variety of policy areas, as well as variations in the size and type of government activities in liberal democracies. To what extent do governments redistribute resources to reduce income disparities, and what is the political logic underlying the search for equality? Why do some governments employ decentralised agencies and others rely on local governments? What is the meaning of "privatisation", and which are the gains (if any) of contraction service production out? It is often claimed that government institutions suffers from inertia, and that reforms are too late and too small to be efficient. The course addresses these questions and comparative public policy reform at the levels of design and implementation, and examines questions of both institutional and organisational reform.

### **Prerequisites**

Bachelors' degree

### **Compulsory literature**

#### **Books:**

Le Grand, Julian. 2003. Motivation, agency, and public policy : of knights and knaves, pawns and queens. Oxford : Oxford University Press. kap.1-kap.8.

#### **Collection of articles:**

Compendium of Journal Articles, including articles/chapters by Bradbury/Crain, Borge/Rattsø, Rodriguez, Persson, McCarty et al., Dubin/ P. Navarro, Campos/Esfahani, Boix, Fernandez/Rodrik, Baumol, Lindblom, Wilson, Eisenstadt, Page, Peters, Putnam et al, Rhodes, Dunleavy, Hood, Linbeck, Ferlie, Pollitt/Bouckaert, Newman, Stoker, etc.

### **Recommended literature**

#### **Books:**

Ferlie, Ewan et al. 1996. The New public management in action. Oxford: Oxford University Press

Lane, Jan-Erik. 2000. New Public Management. London : Routledge

McLaughlin, Kate, Stephen P. Osborne and Ewan Ferlie. 2002. New public management : current trends and future prospects. London : Routledge

Mintzberg, Henry. 1983. Structure in fives : designing effective organizations. Englewood Cliffs, N.J. : Prentice-Hall

OECD. 2005. Modernising government : the way forward. Paris : OECD. Chapter 1-7  
Pierre, Jon and B. Guy Peters. 2000. Governance, politics and the state. London: Macmillan

**Other:**

Individual journal articles and book chapters available in the library and/or electronically will be recommended as further reading.

**Course outline**

1. Public policy and public service provision. Theories of public goods and service provision. Policy instruments: regulation, financing and production. The size of public sector: Driven by demand or supply?
2. Comparative public policy institutions. Politicians, civil servants and key actors. Power, control, transparency and evaluation. Comparative analysis of institutions and perspectives on control. Incentive structures, cooperation and competition within the state.
3. Efficiency and democracy. Institutional design. The search for equity: insurance or income redistribution? Designing public policy reforms. New Public Management reforms. Decentralisation (delegation, marketisation or local democracy?). Contracting out and competition.
4. Modernising governance. Institutional change, operationalisation of reforms. NPM reforms and the New Governance debate. Operationalising contracting out, public-private partnerships.
5. Implementation and organisational design, organisational theory and comparative analysis, how organisations work and develop. Organisational parameters of public police reform, implementation deficits.

**Computer-based tools**

None

**Course structure**

36 hours

**Evaluation**

30% Class work (in the form of a mix of some/ all of the following: hand in of case write ups, projects, and homeworks; case presentations and class participation; in class midterm and quizzes). Final written 3 hour exam accounts for 70% of the grade. Both parts of the evaluation need to be passed in order to get a grade in the course. Specific Information regarding any aspect of student evaluation will be provided in class. It is the student's responsibility to obtain this information. Please note that whilst attendance is not compulsory, it is the students responsibility to obtain any information provided in class that is not included on the course homepage/Blackboard or text book. Homepages and/or Blackboard are not designed for the purpose of students who choose not to attend class.

**Evaluation code(s)**

GRA 59201 accounts for 100 % of the final grade in the course GRA 5920.

**Aids at the examination**

Bilingual dictionary

**Makeup exam**

Re-takes are only possible at the next time a course will be held. When course evaluation consists of class participation or process elements, the whole course must be re-evaluated when a student wants to retake a exam. Retake examinations entail an extra examination fee.

**Honor Code**

Academic honesty and trust are important to all of us as individuals, and they are encouraged and promoted by the honor system. This is a most significant university tradition. The honor system is the responsibility of students. As faculty, we share the commitment to the ideals of the honor system.

At no time should notes or papers or personal consultations based on previous semesters of this course be used. As part of the honor code papers handed in as part of the course is, at the discretion of the professor, scanned for plagiarism. We are using Safe Assignment in Black Board for this purpose. Any violation of the honor code will be dealt with in accordance with BI's procedures on cheating. These issues are a serious matter to everyone associated with the program. They are at the heart of the Honor Code and academy integrity. If you have any questions about your responsibilities under the honor code, please ask.