

School of Government

MAPP 522 / MMPM 503
ECONOMICS AND PUBLIC POLICY /
ECONOMIC POLICY CHALLENGES FOR PUBLIC MANAGERS
(15 Points)

Trimester 2 / 2012

COURSE OUTLINE

Names and Contact Details

Course Coordinator: **Dr Grant Scobie**
The Treasury
Telephone: (04) 471 5005
Email: g.scobie@clear.net.nz

Guest Lecturers: **Dr Veronica Jacobsen**
Manager, Strategy
Ministry of Science and Innovation
Telephone: 0274 770 765
Email: v.jacobsen@clear.net.nz

Dr Bronwyn Croxson
Ministry of Health
Telephone: (04) 816 2473
Email: bronwyn_croxson@moh.govt.nz

Dr Andrew Coleman
Senior Fellow
Motu
Telephone: (04) 939 4250
Email: andrew.coleman@motu.org.nz

Dr Brian Bell
Director
Nimmo-Bell Co. Ltd
Telephone: (04) 233-9643
Email: brian@nimmo-bell.co.nz

Mr Omar Aziz
Senior Analyst
The Treasury
Telephone: (04) 917-6207
Email: omar.aziz@treasury.govt.nz

Administrator: **Darren Morgan**
Room RH 821, Level 8, Rutherford House, Pipitea Campus
Telephone: (04) 463 5458
Fax: (04) 463 5454
Email: darren.morgan@vuw.ac.nz

School Office Hours: 8.30am to 5.00pm, Monday to Friday

Trimester Dates

From Thursday 12 July to Thursday 1 November 2012

Withdrawal from Course

Formal notice of withdrawal must be in writing on a Course Add/Drop form (available from either of the Faculty's Student Customer Service Desks) or emailed to the course Administrator. Not paying your fees, ceasing to attend lectures or verbally advising a member of staff will NOT be accepted as a formal notice of withdrawal.

1. Your fees will be refunded if you withdraw from this course on or before **Friday 27 July 2012**.
2. The standard last date for withdrawal from this course is **Friday 5 October 2012**. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an '*Application for Associate Dean's Permission to Withdraw Late*' including supporting documentation. The application form is available from either of the Faculty's Student Customer Service Desks.

Class Times and Room Numbers

Module One:	Thursday 12 July 2012	8.30am – 6.00pm
Module Two:	Thursday 30 August 2012	8.30am – 6.00pm
Module Three:	Thursday 25 October 2012	8.30am – 6.00pm

Attendance is required at all three modular teaching days

Locations: Classes will be held on the Pipitea Campus of Victoria University in Wellington and you will be advised of your classroom one week prior to each module by email. The timetable is also available to view on the Victoria University website (www.victoria.ac.nz/timetables/).

Economists don't know very much about the economy; other people, including politicians who make economic policy, know even less

Herbert Stein

Course Learning Objectives

This course brings to bear the fundamental tools of economics on complex or “wicked” policy issues. It aims to apply economic frameworks to scope the issues and develop policy options. In many instances, a purely economic approach may not necessarily encompass all the relevant dimensions of a comprehensive policy analysis. Hence the course will recognise the role of other frameworks which can complement the use of economic paradigms to support the development of policy options that encompass economic, social, environmental and cultural outcomes.

By the end of the course, participants will:

1. Develop an enhanced understanding of fundamental elements of economics and their application to policy issues;
2. Gain insights into other frameworks that can complement an economic approach to complex policy issues; and
3. Demonstrate skills in economic reasoning and communication as applied to complex policy issues.

Course Content

The course is designed for those involved in the development of public policy. It has three overarching themes:

- a strong foundation of economic principles that underpin much of public policy;
- an appreciation of other paradigms that can complement economic frameworks; and
- an emphasis on bringing both sets of frameworks to bear of contemporary but challenging areas of public policy through a series of selected case studies.

The case studies form a central part of the course. They provide an opportunity for reading and analysis of important but difficult areas of policy. More importantly, while economic principles will underpin the analysis of these problems, they will almost inevitably require the use of other frameworks to enrich understanding and provide a broader perspective for the development of policy approaches. Finally, the case studies will provide students with an opportunity to further hone their communication skills through class workshops and discussions. In four instances, the case studies will be led by experts in the respective fields.

Course Delivery

This course is delivered in a modular format, which includes a minimum of 24 hours contact. The 24 hours are broken up into three separate days of eight hours each (a 'module'). There are three modules in the course with approximately seven weeks between each module. **Attendance is required at all three modular teaching days (8.30am – 6.00pm).**

Course Structure: An Overview: 2012

Session	Module 1 Thursday 12 July	Module 2 Thursday 30 August	Module 3 Thursday 25 October
	Dr Veronica Jacobsen	Dr Grant Scobie and Guest Lecturers	Dr Grant Scobie and Guest Lecturers
8.30am – 10.30am	Economic Principles and their Application to Public Policy Issues 1.1 How the Market Works	2.1 Widening the Net <ul style="list-style-type: none"> ➤ Behavioural Economics ➤ Institutional Economics ➤ Rights Based Models ➤ Social Capital 	3.1 Case Study <ul style="list-style-type: none"> ➤ Housing Affordability Guest Lecturer: Dr Andrew Coleman
10.30am – 11.00am	<i>Morning Tea</i>		
11.00am – 12.30pm	1.2 When the Market Fails	2.2 Case Study <ul style="list-style-type: none"> ➤ Taxes and Welfare Guest Lecturer: Omar Aziz	3.2 Class Workshop: <ul style="list-style-type: none"> ➤ The Productivity Commission's Report on Housing Affordability
12.30pm – 1.30pm	<i>Lunch</i>		
1.30pm – 3.30pm	1.3 When Government Fails	2.3 Class Workshop <ul style="list-style-type: none"> ➤ Welfare Reform 	3.3 Case Study <ul style="list-style-type: none"> ➤ Aid in the Pacific: A Policy Challenge for NZ Guest Lecturer: Dr Brian Bell
3.30pm – 4.00pm	<i>Afternoon Tea</i>		
4.00pm – 6.00pm	1.4 Case Study <ul style="list-style-type: none"> ➤ Criminal Justice 	2.4 Case Study <ul style="list-style-type: none"> ➤ Using Incentives to Achieve Policy Objectives in Health Care Guest Lecturer: Dr Bronwyn Croxson	3.4. Case Study <ul style="list-style-type: none"> ➤ NZ's Productivity and Economic Growth

Expected Workload

The learning objectives set for each course are demanding and, to achieve them, candidates must make a significant commitment in time and effort to reading, studying, thinking, and completion of assessment items outside of contact time. Courses vary in design but all require preparation and learning before the first day of the course and regular learning is also necessary (students who leave everything to the last moment rarely achieve at a high level).

Expressed in input terms, on average, the time commitment required usually translates to approximately 150 hours for a 15-point course.

Group Work

Students will engage in group discussion and work during the course; however assessments in the course will be based on individual assignments.

Course Materials

Textbook

The following book is required for the course. It comprises of short chapters on a wide range of public policy issues. It is, however, focussed on economic issues; so as to gain an appreciation of other approaches, you will need to rely on the readings and your own research:

- Miller, Roger LeRoy, Daniel K Benjamin and Douglass C North (2007) *The Economics of Public Issues*. 16th ed. (Addison Wesley)

Other Books That You Could Find Useful

The first is an excellent economics text that is true to its title and provides examples of an economic approach to problems:

- Heyne, Paul, Peter J. Boettke and David L. Prychitko (2005) *The Economic Way of Thinking*. 11th ed. (Prentice Hall).

The next book is also a really good economics text. It combines the basics of microeconomics with a whole raft of examples in which the author applies the framework to policy issues – pollution, voting, plea bargaining, religious broadcasting:

- Friedman, David D. (1990) *Price Theory: An Intermediate Text*. (South-Western).

But wait ... there is more ... the book is online:

- www.daviddfriedman.com/Academic/Price_Theory/PThy_ToC.html

And for some lighter reading, any of the following will stimulate your thinking about policy issues and are entertaining reading at the same time – great for the bedside table:

- Levitt, Steven D. and Stephen J. Dubner (2006) *Freakonomics: A Rogue Economist Explores the Hidden Side of Everything*. (William Morrow)
- Harford, Tim (2006) *The Undercover Economist: Exposing why the rich are rich, the poor are poor and why you can never buy a decent used car*. (New York: Oxford University Press).
- Ormerod, Paul (2007) *Why Everything Fail: Evolution, Extinction and Economics* (Wiley).
- Hamermesh, Daniel S. (2004) *Economics is Everywhere*. (New York: McGraw Hill).
- Coyne, Diane (2002) *Sex, Drugs and Economics: An Unconventional View* (New York: Texere).

Useful Websites

- New Palgrave Dictionary of Economics: www.dictionarofeconomics.com/dictionary
- Australian Policy Online (APO): www.apo.org.au/ . This is an excellent source for current (Australian) policy reports.
- National Center for Policy Analysis: www.ncpa.org/ , a similar site for the USA.
- For a wide range of papers in economics, see: <http://ideas.repec.org/>
- Mercatus Center, George Mason University: www.mercatus.org/ for a range of material under the Economics and Public Policy tab.
- Martin Wolf: Associate Editor and Chief Economics Correspondent for the *Financial Times*: <http://blogs.ft.com/wolfforum/>
- The blogosphere is full of the musings of good economists on public policy issues: among my favourites are:
 - www.marginalrevolution.com/
 - <http://offsettingbehaviour.blogspot.co.nz/>
 - <http://delong.typepad.com/>
 - <http://krugman.blogs.nytimes.com/>
 - <http://freakonomics.blogs.nytimes.com/>
 - <http://gregmankiw.blogspot.com/>
 - www.economicthinking.org/
 - <http://offsettingbehaviour.blogspot.com/>
 - www.adamsmith.org/blog/
- <http://cbe.anu.edu.au/cbe/research/publications?discipline=&area=&series=7069&year=>
- Centre for Independent Studies: www.cis.org.au/
- The Australia Institute: www.tai.org.au/
- Institute for Public Policy Research (UK): www.ippr.org.uk/
- Policy Studies Institute (UK): www.psi.org.uk/

For Up To Date Data

- Economic Indicators
[Monthly Economic Indicators \(MEI\)](#) are a regular stock-take of economic data releases prepared by the Treasury. The MEI comprises a commentary on the major data releases over the previous month and an annex with more detailed charts and source data.

- Economic Development Indicators 2011 is a joint Ministry of Economic Development (MED), Treasury and Statistics New Zealand report providing a comprehensive and objective description of New Zealand's recent economic performance compared to other [Organisation for Economic Co-operation and Development \(OECD\)](#) countries.
- See: <http://www.med.govt.nz/about-us/publications/publications-by-topic/economic-indicators/economic-development-indicators-2011>
-

Readings

All the readings are available on the web. They are a critical part of the course. Priority should be given to the required readings, but time spent in the supplementary readings will enhance your learning outcomes from the course.

*For each of the case studies, there is a list of required readings (and in most cases, supplementary readings), together with a number of key questions. These questions are intended to guide your reading and form the basis of discussion during the class sessions. It is **essential** that you undertake the required readings for the case studies prior to coming to the class, so you can make a full contribution to both group workshops and the general discussion.*

Accessing The Readings

Many of the readings are in the public domain and you can access them directly on the web. In every case, the link is provided. However, some journal articles are only available through subscription. The Victoria University library holds the subscriptions and thus provides students with access to its online holdings. To access these, you will need to log in to the Victoria University Library website via the myVictoria student web portal, so that you are recognised as being part of the University community which is entitled to use the resource.

As an example, here are the steps you would follow to access a working paper from the National Bureau of Economic Research (NBER):

1. Open a web browser and go to www.myvictoria.ac.nz .
2. Log into myVictoria using your ITS Username (on your Confirmation of Study) and password (if you've never used the Victoria University computer facilities before, your initial password is your student ID number, on your Confirmation of Study, Fees Assessment or student ID card – you may be asked to change it once you've logged in for the first time).
3. Once you've logged into myVictoria, select the Library tab (from the list of tabs along the top of the page).
4. On the right hand side, in the Library Catalogue box, enter NBER as a keyword search.
5. The result will be about 2066 hits. Don't panic! Scroll down to the 9th item, NBER working paper series, and click on the link. Click on the Electronic Resource link "Full text available from National Bureau of Economic Research Publications: 1998 to present" and you will be taken to the NBER website.
6. Click Working Papers & Publications, then in the Working Papers search box put in the working paper number from the reading list (e.g. 14631) and press Enter (there is no search button as such). The PDF full text should be available to you now.

Further guidance

1. Use the other very useful sections under the Library tab of MyVictoria such as Journal Finder, Recommended Resources, Library Online Resources and Library Forms (to place various kinds of requests for any material not available online)
2. You may also like to view the online tutorials available [Getting Beyond Your Reading List](#)
3. Should you need any further assistance, please contact:

Philip Worthington
Subject Librarian – Commerce
Victoria University of Wellington
Room RWW 226a, Level 2, Railway West Wing, Pipitea Campus
P.O. Box 600, Wellington, New Zealand
Email: philip.worthington@vuw.ac.nz
Telephone: (04) 463 6945

It is recommended that you ensure your computer access to myVictoria and the Victoria University Library is working before the course starts.

If you have any problems with myVictoria, you should contact the ITS Helpdesk on (04) 463 5050 or its-service@vuw.ac.nz, or visit the ITS Helpdesk on level 2 of the Railway West Wing, Pipitea Campus. See www.victoria.ac.nz/its/student-services/ for more information.

Some problems are so complex that you have to be highly intelligent and well informed just to be undecided about them

Laurence J. Peter

Many of the problems we will address in the course are sometimes referred to as *wicked problems*. The following readings, that you should do *prior to the start of the course*, are intended to give you an appreciation of wicked problems in the context of public policy making.

Required Readings

- Batie, Sandra S. (2008) “Wicked Problems and Applied Economics” American Journal of Agricultural Economics 90(5):1176-1191. www.oecd.org/dataoecd/36/1/43926484.pdf
- Australian Public Service Commission (2007) “Tackling Wicked Problems: A Public Policy Perspective.” Canberra. www.apsc.gov.au/publications07/wickedproblems.htm
- Conklin, E. Jeffrey (2005) “Wicked Problems and Social Complexity.” *Dialogue Mapping: Building Shared Understanding of Wicked Problems*, (New Jersey: Wiley): Chapter 1. www.cognexus.org/id26.htm#wicked_problems_and_fragmentation

Supplementary Readings

- Roberts, Nancy (2000) “Wicked Problems and Network Approaches to Resolution.” *International Public Management Review* 1(1):1-19
- See: <http://www3.imp.unisg.ch/org/idt/ipmr.nsf/0/1f3bcad88f16e7c6c1256c76004be2c4!OpenDocument&AutoFramed>
- New Zealand Business Roundtable (2007) “Public Policy: An Introduction.” New Zealand Business Roundtable, Wellington. <http://www.nzbr.org.nz/shop/Library+by+type/Public+Policy+-+An+Introduction.html>

Module 1: Economic Principles and their Application to Public Policy Issues

*Most of economics can be summarized in four words:
People respond to incentives. The rest is commentary.*

Steven E. Landsburg

1.1 How the Market Works

Required Readings

- Lazear, Edward P. (2000) "Economic Imperialism." www.nber.org/papers/w7300.pdf
- Varian, Hal (1989) "What use is Economic Theory?" www.ischool.berkeley.edu/%7Ehal/Papers/theory.pdf
- Varuhas, Jason, Lindy Fursman and Veronica Jacobsen (2003) "Work and Family Balance: An Economic View." Working Paper 03/26, New Zealand Treasury, Wellington. www.treasury.govt.nz/publications/research-policy/wp/2003/03-26/

Supplementary Readings

- Reed, W. Robert and Max Schanzenbach (1996) *Prices and Information: A Simple*
- http://www.econ.canterbury.ac.nz/personal_pages/bob_reed/econ3003/area1b.htm
- Friedman, David D (1990) *Price Theory: An Intermediate Text*. South-Western: Chapters 1-2. www.daviddfriedman.com/Academic/Price_Theory/PThy_Chapter_1/PThy_CHAP_1.html
www.daviddfriedman.com/Academic/Price_Theory/PThy_Chapter_2/PThy_CHAP_2.html
- Batie, Sandra (2008) "Wicked problems and applied economics." *American Journal of Agricultural Economics* 90(5):1176-1191. www.oecd.org/dataoecd/36/1/43926484.pdf

Key Questions

1. What are the advantages and disadvantages of economic analysis in addressing wicked policy problems?
2. What are the functions of price mechanism in a free market economy?
3. Should there be a market for human organs?

1.2 When the Market Fails

Required Readings

- Caplan, Bryan (2008) "Externalities." *The Concise Encyclopaedia of Economics*. www.econlib.org/library/Enc/Externalities.html
- Cowen, Tyler (2008) "Public Goods." *The Concise Encyclopaedia of Economics*. www.econlib.org/library/Enc/PublicGoods.html
- Crampton, Eric (2007) "Market Failure" *Encyclopaedia of Law and Society*. www.econ.canterbury.ac.nz/personal_pages/eric_crampton/MktFailure.pdf

Supplementary Readings

- Feldman, Allan M. (2008) "Welfare economics." *The New Palgrave Dictionary of Economics Online*. www.dictionaryofeconomics.com/article?id=pde2008_W000050
- Reed, Lawrence W. (1980) "Witch-hunting For Robber Barons: The Standard Oil Story" *Ideas on Liberty* (March). www.dadyer.com/Economic%20Readings/witchhunting%20for%20robber%20barons.htm

Key Questions

1. Does market failure justify redistribution?
2. Is there market failure in global warming, and if so, what is it?
3. Is there market failure in education?

1.3 When Government Fails

Required Readings

- Hausman, Daniel M (2008) "Market Failure, Government Failure, and the Hard Problems of Co-operation." *Ethics and Economics* 6(1):1-5.
<https://papyrus.bib.umontreal.ca/jspui/handle/1866/3421>
- Myddelton, D. R. (2001) "They Meant Well: Government Project Disasters." Hobart Paper No. 160, Institute of Economic Affairs, London: Chapter 10.
<http://ssrn.com/abstract=1021302>
http://papers.ssrn.com/sol3/Delivery.cfm/SSRN_ID1021302_code697984.pdf?abstractid=1021302&mirid=4
- Shughart II, William F (2008) "Public Choice." *The Concise Encyclopaedia of Economics*.
www.econlib.org/library/Enc/PublicChoice.html

Supplementary Readings

- Ambler, Tim (2009) "The Financial Crisis: Is Regulation Cure or Cause?" ASI Briefing Paper, Adam Smith Institute, London. www.adamsmith.org/images/pdf/financial-crisis.pdf
- Eiras, Ana Isabel (2003) "Ethics, Corruption, and Economic Freedom." Heritage Lecture No. 813, Heritage Institute, Washington.
www.heritage.org/research/tradeandeconomicfreedom/hl813.cfm
- Horwitz, Steven (2008) "An Open Letter to my Friends on the Left" Department of Economics, St. Lawrence University. http://myslu.stlawu.edu/~shorwitz/open_letter.htm
- Viscusi, W. Kip (2006) "Regulation of Health, Safety, and Environmental Risks." Harvard Law and Economics Discussion Paper No. 544, Harvard Law School, Cambridge MA.
www.law.harvard.edu/programs/olin_center/papers/pdf/Viscusi_544.pdf

Key Questions

1. What is the impact of banning the sale of human organs?
2. What instruments can be used to improve the quality of regulation?
3. How can corruption in government be addressed?

1.4 Case Study: Criminal Justice

Required Readings

- Friedman, David D. (2002) "Crime." *The Concise Encyclopaedia of Economics*.
www.econlib.org/LIBRARY/Enc/Crime.html
- Weatherburn, Don (2001) "What Causes Crime" Crime and Justice Bulletin No 51, NSW Bureau of Crime Statistics and Research, Canberra.
[www.cso.nsw.gov.au/lawlink/bocsar/ll_bocsar.nsf/vwFiles/CJB54.pdf/\\$file/CJB54.pdf](http://www.cso.nsw.gov.au/lawlink/bocsar/ll_bocsar.nsf/vwFiles/CJB54.pdf/$file/CJB54.pdf)
- Levitt, Steven D (2004) "Understanding Why Crime Fell in the 1990s: Four Factors that Explain the Decline and Six that Do Not." *Journal of Economic Perspectives* 18(1):163-190.

Supplementary Readings

- Aos, Steve, Miller, Marne and Elizabeth Drake (2006) “Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs, and Crime Rates.” Washington State Institute for Public Policy, Olympia.
www.wsipp.wa.gov/rptfiles/06-10-1201.pdf
- Austin, James, Todd Clear, Troy Duster, David F. Greenberg, John Irwin, Candace McCoy, Alan Mobley, Barbara Owen, Joshua Page (2007) “Unlocking America: Why and How To Reduce America's Prison Population.” JFA Institute.
www.jfa-associates.com/publications/srs/UnlockingAmerica.pdf

Key questions

1. What are the limitations of the economic approach to crime?
2. What is the impact of imprisonment on crime?
3. What is the most effective way of reducing crime?

Module 2

2.1 Widening the Net: A Synopsis of Complementary Frameworks

(Note: There are rather more readings in this section as it covers a wide range of complementary approaches to public policy issues)

Required Readings

- Working towards higher living standards for New Zealanders
www.treasury.govt.nz/publications/research-policy/tp/higherlivingstandards
- Jacobsen, Veronica, Lindy Fursman, John Bryant, Megan Claridge and Benedikte Jensen (2004) Theories of the Family and Policy. Working Paper 04/02, New Zealand Treasury, Wellington. www.treasury.govt.nz/publications/research-policy/wp/2004/04-02/
- Ministry of Economic Development (2006) Behavioural Analysis for Policy: New Lessons from Economics, Philosophy, Psychology, Cognitive Science, and Sociology. This paper is intended as an introductory guide to encourage policy analysts into a deeper understanding of people's behaviour, the factors that influence behaviour, and how to incorporate this into the policy development process.
- [Behavioural Analysis for Policy - Ministry of Economic Development](http://www.med.govt.nz/business/.../behavioural-analysis-for-policy.pdf)
www.med.govt.nz/business/.../behavioural-analysis-for-policy.pdf
- Thaler, Richard H. and Sendhil Mullainathan. “How Behavioral Economics Differs from Traditional Economics.” *Concise Encyclopaedia of Economics*.
www.econlib.org/library/Enc/BehavioralEconomics.html
- Alston, L. J. (2008) "New Institutional Economics." *The New Palgrave Dictionary of Economics Online*. www.dictionaryofeconomics.com/article?id=pde2008_N000170
- de Soto, Hernando (2001) “The Hidden Architecture of Capital.” Institute for Liberty and Democracy, Lima. <http://ild.org.pe/en/articles/hidden>

Supplementary Readings

- Bernheim, B. Douglas and Antonio Rangel (2008) “Behavioral public economics.” *New Palgrave Dictionary of Economics Online* www.dictionaryofeconomics.com/article?id=pde2008_B000331
- Tullock, Gordon (2008) “Public Choice.” *The New Palgrave Dictionary of Economics Online*. www.dictionaryofeconomics.com/article?id=pde2008_P000240
- Thaler, Richard H. and Cass R. Sunstein (2008) “Economic policy for humans.” *Boston Globe* April 17. www.boston.com/bostonglobe/editorial_opinion/oped/articles/2008/04/17/economic_policy_for_humans/
- Caplan, Bryan (2008) “Economic Policy for Humans? What Thaler and Sunstein Miss.” http://econlog.econlib.org/archives/2008/04/economic_policy_3.html
- Shughart II, William F. “Public Choice.” *Concise Encyclopaedia of Economics* www.econlib.org/library/Enc/PublicChoice.html

Key Questions

1. What is meant by the “new institutional economics?” Why does it matter? How does that differ from neo-classical economics?
2. What is the essence of behavioral economics? What does it add to a neo-classical view?
3. How does public choice theory help us in understanding the development of public policy?

2.2 Case Study: Taxes and Welfare

Required Readings

- Why do we pay tax? www.ird.govt.nz/income-tax-individual/different-income-taxed/why-pay-tax/
- Income Taxes for Individuals www.ird.govt.nz/how-to/taxrates-codes/itaxsalaryandwage-incometaxrates.html
- Key Features of the New Zealand Welfare System <http://ips.ac.nz/WelfareWorkingGroup/Downloads/Working%20papers/WWG-Key-features-of-the-NZ-welfare-system.pdf>
- Description of Social Assistance Benefits in New Zealand <http://ips.ac.nz/WelfareWorkingGroup/Downloads/Working%20papers/MSD-Description-of-social-assistance-benefits.pdf>
- Tax and Transfers – Design of the Income Tax/Transfer System, Background Paper for the Tax Working Group www.victoria.ac.nz/sacl/cagtr/twg/Publications/taxes_transfers.pdf
- Understanding the Interface between Tax, Tax Credits and Social Assistance - Appendix C www.victoria.ac.nz/sacl/cagtr/twg/Publications/2-appendixC-understanding-the-interface.pdf
- Aziz et al (2012), The Effect on Household Income of Government Taxation and Expenditure in 1988, 1998, 2007 and 2010. <http://ips.ac.nz/publications/files/2d6039de603.pdf>

Supplementary Readings

- Chamberlain A. & Prante G. (2007), Who Pays Taxes and Who Receives Government Spending? An Analysis of Federal, State and Local Tax and Spending Distributions, 1991-2004 (www.taxfoundation.org/files/wp1.pdf), Pgs 1 - 34)

Key Questions

1. What would be the implications of making the effective marginal rate of taxation the same for all taxpayers? Would that make the system “fairer?”
2. Should the first \$5,000 of income be tax free?
3. What do you understand by *fiscal incidence*? In addition to spending on transfers, should other forms of government spending, such as health, education, housing etc. be taken into account when assessing the extent of the redistributive impact of taxation and government spending?

2.3 Class Workshop: Welfare Reform

The 2011 Welfare Working Group Report

The objective of this session is to examine the Report of the Welfare Working Group (WWG) from different perspectives. We will suppose that the government, having received the report, has referred it to a Select Committee, and the Committee has invited submissions.

The class will be divided equally into four groups (based alphabetically on surnames). Each group will make an oral presentation to the Committee. Each presentation will address the key areas of concern for their organisation and will make recommendations to the Committee.

Each of the four groups will represent one of the following organisations:

- Group 1: The Family Centre (www.familycentre.org.nz/)
- Group 2: New Zealand Business Roundtable (www.nzbr.org.nz/)
- Group 3: The Council of Trade Unions (CTU) (<http://union.org.nz/>)
- Group 4: Child Poverty Action Group (www.cpag.org.nz/)

Each student will be assigned to a group when the class meets on Thursday 12 July (module 1). All groups will have the first hour and 20 minutes of the session to meet and discuss their position and to elect a speaker. There will then be a 5 minute presentation from each group with 15 minutes at the conclusion for general class discussion.

Readings

This exercise requires **full participation and above all, preparation**. It is essential that all students come prepared to contribute based on a thorough understanding of the issues. There are three steps involved in your preparation:

1. You should develop a good understanding of the issues and recommendations of the WWG;
2. You should consider the aims and issues of concern to the organisation you represent; and
3. You should prepare clear arguments and recommendations to present to the Select Committee. Remember, the Committee has received hundreds of submissions, and has allocated your spokesperson **5 minutes** to present the organisation’s case. As a result, you will need to focus on a limited number of well-argued points.

Required Readings

- **Reducing Long-Term Benefit Dependency: Recommendations** (Report of the Welfare Working Group, February, 2011). It is a long report and you should start by concentrating on the Executive Summary (pp. 1-18) and the Key Conclusions and Recommendations (pp. 19-

35). However, you should be familiar with the materials in the background papers and presentations to the Task Force.

- ***Reducing Long-Term Benefit Dependency: The Options*** (November 2010).
- ***Long Term Benefit Dependency: Detailed Paper*** (August, 2010)

The Welfare Working Group papers are available at:

<http://ips.ac.nz/WelfareWorkingGroup/Index.html>

Supplementary Readings

- ***Welfare Justice: The Alternative Welfare Working Group***
[The way forward on welfare reform? Some ideas about alternatives and solutions](#)
Paper for Welfare justice: the alternative welfare working group
Sue Bradford Friday 3 September 2010
Welfare Reform in New Zealand: The Issues, *Paul Dalziel, August 2010*. ([Click here for WORD Document](#), [Click here for PDF Document](#))
- ***Welfare Reform in New Zealand: The Issues***: A personal reflection by Paul Dalziel
<http://welfarejustice.org.nz/dox/Welfare%20Reform%20Issues%20Paper.pdf>
- ***Equity as a Social Goal***: Cathy Buchanan and Peter Hartley (2000: NZ Business Roundtable):
[www.nzbr.org.nz/site/nzbr/files/publications/publications-2000/equity as a social goal.pdf](http://www.nzbr.org.nz/site/nzbr/files/publications/publications-2000/equity%20as%20a%20social%20goal.pdf)
- ***Middle Class Welfare***: James Cox (2001: NZ Business Roundtable):
[www.nzbr.org.nz/site/nzbr/files/publications/publications-2001/middle class welfare.pdf](http://www.nzbr.org.nz/site/nzbr/files/publications/publications-2001/middle_class_welfare.pdf)
- The following is one of the most comprehensive works and should be a useful reference in future: ***The Economics of the Welfare State***: Nicholas Barr (4th edn, 2004 Oxford University Press).

2.4 Case Study: Using Incentives to Achieve Policy Objectives in Health Care

Required Readings

- ***Background on the New Zealand Health Care system***
The New Zealand Health and Disability System: Organisations and Responsibilities, Briefing to the Incoming Minister of Health, December 2011 Part 2 (not part 1)
www.health.govt.nz/publication/briefing-incoming-minister-health-december-2011
- ***Issues with using incentives in the public sector***
“Incentives and organizations in the public sector: An interpretative review,” *Journal of Human Resources*, 37(4), Fall 2002, 696-727. (From page 711)
<http://cces.lnu.edu.cn/upload/1229092268875..pdf>

Supplementary Readings

- Besley, T. and M. Ghatak (2003). Incentives, Choice and Accountability in the Provision of Public Services. London, The Institute for Fiscal Studies Working Paper 03/08.
<http://ideas.repec.org/p/ifs/ifsewp/03-08.html>
- Halpern, S. D., A. D. A, et al. (2012). "Commitment contracts as a way to health." British Medical Journal **344**.

Key Questions

1. Under what circumstances might financial incentives be used to improve health system performance?
2. What range of non-financial incentives might be effective in improving health system performance?

3. Whose behaviour should be targeted when designing incentives in health systems? Users, the public, clinicians, managers?
4. What might be the impact of public reporting of health system performance indicators?

Module 3

3.1 Case Study: Housing affordability

Required Readings

- [Is Housing Unaffordable? Why Isn't It More Affordable?](#)
by John M. Quigley and Steven Raphael.
Journal of Economic Perspectives, 17(1), 2004: 191-214.
- Rohe, W.M., Van Zandt, S and McCarthy, GM. (2001). "The social benefits and costs of homeownership: a critical assessment of the research." Joint Center for Housing studies at Harvard University, LIHO-01.12, Cambridge, MA.
- <http://www.jchs.harvard.edu/research/publications/social-benefits-and-costs-homeownership-critical-assessment-research>
- Coleman, A., and Scobie, G. (2009) "A simple model of housing rental and ownership with policy simulations." New Zealand Treasury, Wellington.
www.treasury.govt.nz/publications/research-policy/wp/2009/09-05/
- Gyourko, Joseph. (2009). "Housing Supply," *Annual Review of Economics* 1:295-318

Supplementary Readings

- Coleman, A. (2008) "The Hidden Costs of Low Inflation: Savings, Tax and the Dearth of Home Ownership." Motu Economic and Public Policy Research, Wellington.
www.motu.org.nz/publications/detail/the_hidden_costs_of_low_inflation_savings_tax_and_the_dearth_of_home_owners
- Department of Prime Minister and Cabinet (2008) Final Report of the House Prices Unit: House price Increases and Housing in New Zealand (Wellington: Department of Prime Minister and Cabinet, March) www.dpmmc.govt.nz/dpmmc/publications/hpr-report/index.html
- Statistics New Zealand Statistics on Housing Affordability
http://www.stats.govt.nz/tools_and_services/tools/TableBuilder/housing-affordability-tables.aspx
- Wilkinson, D. (1999) "Poor Housing and Ill Health: A Summary of the Research Evidence." (Edinburgh: The Scottish Office) www.scotland.gov.uk/Publications/1999/05/2763/File-1
- Quigley, J.M and Rosenthal, J. (2005) The effects of land use regulation on the price of housing: what do we know? What can we learn? Berkeley Program on Housing and Urban Policy, Working Paper Series No. 1052, University of California, Berkeley.
<http://urbanpolicy.berkeley.edu/pdf/QR2005.pdf>

Key Questions

1. Why should governments care about housing affordability?
2. What are key differences between housing markets and the markets for other goods (e.g. food or cars)?
3. How can one measure housing costs and housing affordability?
4. If Governments wish to ensure that people have inexpensive housing, what policies are available, and which policies are likely to be most effective?
5. In what circumstances are changes in land use regulation likely to improve housing affordability?

3.2 Class Workshop: Housing Affordability

The objective of this session is to examine the report of the Productivity Commission on Housing Affordability from different perspectives, and drawing on this report analyse issues for public policy.

The class will be divided equally into four groups (based alphabetically on surnames). Each group will make an oral presentation to the class. Each presentation will address the ***key issues and the pros and cons related to their particular policy; i.e. you are to make a critical assessment of the proposition.***

- **Group 1**
Increasing the number of social housing units is the most direct and efficient way to improve housing affordability.
- **Group 2**
A capital gains tax on owners of rental property would reduce the cost of rental housing and improve affordability.
- **Group 3**
Removing land use restrictions, streamlining the consent process and loosening building regulations would increase the supply of low cost, affordable housing.
- **Group 4**
Every New Zealand has a basic right to adequate housing. The role of the state is to ensure housing is provided for all.

Each student will be assigned to a group when the class meets on Thursday 12 July (module 1). The groups will be the same as for Class Workshop 2.3. All groups will have the first hour and 20 minutes of the session to meet and discuss their position and to elect a speaker. There will then be a 5 minute presentation from each group with 15 minutes at the conclusion for general class discussion.

Readings

This exercise requires ***full participation and above all, preparation.*** It is essential that all students come prepared to contribute based on a thorough understanding of the issues. There are three steps involved in your preparation:

1. You should develop a good understanding of the issues and recommendations of the Productivity Commission's report on Housing Affordability.
2. You should consider the aim of the policy and the advantages and limitations in addressing housing affordability.
3. Your spokesperson has only 5 minutes so you should focus on a limited number of well-argued points.

Required Readings

- Productivity Commission Report: www.productivity.govt.nz/final-report/1468
- For a discussion of capital gains taxes, see the relevant reports under <http://taxpolicy.ird.govt.nz/news/2009-10-02-more-tax-working-group-papers-released>
- Reserve Bank Discussion Paper DP2008/06, The tax system and housing demand in New Zealand. www.rbnz.govt.nz/research/discusspapers/dp08_06.pdf

3.3 Case Study: Aid in the Pacific: A Policy Challenge for New Zealand

Required Readings

- Hayes, J. B. 2010. Inquiry into New Zealand's relationships with South Pacific countries. Report of the Foreign Affairs, Defence and Trade Committee, December 2010
www.johnhayes.co.nz/archives/12-14%202010%20Final.pdf
- Hughes, Helen, 2011. On line opinion. Australia's e-journal of social and political debate.
www.onlineopinion.com.au/author.asp?id=169 . Selected readings: Article=10089 Army of well-paid advisers keep Pacific poor. Article=5031 Jobs for pacific Islanders or our own. Article=4343 Vanuatu's privileged elite get another aid lifeline. Article=2842 Australia's Pacific aid supports bankrupt regimes. Article=1324 Foreign aid policy offers a poor solution to problems of poverty
- McCully, M., 2011. Airlift operation to assist Tuvalu drought.
www.beehive.govt.nz/release/airlift-operation-assist-tuvalu-drought
- NZAID, 2012. Year in Review 2010-11, The New Zealand Aid Programme: Committed to Effective Aid. www.aid.govt.nz/media-and-publications/publications/year-review-2010-11
- PRIF, 2012. Pacific Regional Infrastructure Facility. A partnership for better infrastructure services in pacific island countries. 2012. www.theprif.org/about-PRIF

Supplementary Readings

- Bell, B. A., 2008. Tuvalu's Falekaupule Trust Fund: Supporting community-based capacity development. Capacity development series, Asian Development Bank.
- <http://www2.adb.org/Documents/Studies/Capacity-Development-in-the-Pacific/Community-Based-Capacity-Development.pdf>
- Bell, B. A., 2008. Tuvalu's Falekaupule Trust Fund: Supporting community-based capacity development. Capacity development series, Asian Development Bank
- <http://www.adb.org/publications/supporting-community-based-capacity-development>
- Hughes, A. V., 1998. A different kind of voyage: development and dependence in the Pacific Islands. Pacific Studies Series. Office of Pacific Operations, Asian Development Bank.
<http://www.adb.org/sites/default/files/pub/1998/different-kind-voyage.pdf>
- McKinnon, J. 2011. NZADDs Commentary, Reading between the lines: Summary of the DAC Review of NZ ODA 2010
<http://nzadds.org.nz/2011/02/27/nzadds-commentary-john-mckinnon/>
- OECD, 2010. New Zealand (2010) DAC Peer Review: Main findings and recommendations.
<http://tinyurl.com/4cgvmuh>
- Tuvalu Trust Fund Board, 2007. Tuvalu Trust Fund 20th Anniversary Profile 1987 – 2007, Vaiaku, Funafuti, Tuvalu
<http://www.undppc.org.fj/resources/article/files/TuvaluTrustFundProfile.pdf>
- Hayes, J. B. 2009. Beyond an independent foreign policy. A speech to the New Zealand Institute of International Affairs, 20 October 2009
www.johnhayes.co.nz/index.php/?archives/101-Beyond-an-Independent-Foreign-Policy-Speech-to-the-New-Zealand-Institute-of-International-Affairs.html
- Panapa, P. and J. Fraenkel, 2008. The loneliness of the pro-government backbencher and the precariousness of simple majority rule in Tuvalu. State Society and Governance in Melanesia, Discussion Paper 2008/2, Research School of Pacific and Asian Studies, ANU
http://ips.cap.anu.edu.au/ssgm/publications/discussion_papers/dplist.php?searchterm=2008
- ADB 2006. Performance Evaluation Report, Project Number: PPE:TUV 31538, Loan Number: 1693-TUV(SF) April 2006
Tuvalu: Island Development Program, Operations Evaluation department
<http://www.adb.org/sites/default/files/31538-TUV-PPE.pdf>

Key Questions

1. What are the special characteristics of PICs that influence NZ's relations with them?
2. What is the evidence that aid has contributed to sustainable development?
3. Should aid be focused poverty reduction or economic self-reliance?
4. How far should technical assistance go in assisting PICs manage their economies? The case of the Tuvalu Trust Fund.

3.4 Case Study: New Zealand's Productivity and Economic Growth: The Big Picture

Required Readings

- Easterly, W. (2003) "National Policies and Economic Growth: A Reappraisal". Working Paper No. 27. Center for Global Development, Washington, DC.
www.cgdev.org/content/publications/detail/2763
- New Zealand Treasury. Budget Statement May 2012, available on the Treasury Website
www.treasury.govt.nz/
- The Treasury (2004) "New Zealand Economic Growth: An Analysis of Performance and Policy." Wellington. www.treasury.govt.nz/publications/research-policy/tp/economicgrowth

Supplementary Readings

- The Treasury (2008) "New Zealand's Productivity Performance." Wellington.
www.treasury.govt.nz/publications/research-policy/tprp/08-02
- Romer, Paul M. "Economic Growth: Compound Rates of Growth". Concise Encyclopaedia of Economics www.econlib.org/library/Enc/EconomicGrowth.html
Bates, Winton (1996) "The links between economic growth and social cohesion." New Zealand Business Roundtable, Wellington. [The Links Between Economic Growth And Social Cohesion](#)

Key Questions

1. What factors can you identify as helping to explain New Zealand's economic growth performance?
2. Will the current policy settings improve our economic growth rate?
3. Can public policies really accelerate the rate of growth?

Assessment Requirements

There are three required assignments in this course. Each in turn relates to one of the three broad learning objectives of the course.

<i>Assignment</i>	<i>Due Date</i>	<i>Weight</i>	<i>Guidelines</i>
1. Applying economic reasoning	5.00pm, Thursday 16 August 2012	33.3%	1,500 words maximum
2. Using complementary perspectives	5.00pm, Thursday 20 September 2012	33.3%	1,500 words maximum
3. Preparing a policy paper	5.00pm, Thursday 1 November 2012	33.3%	1,500 words maximum

In each case, you should seek out current policy papers from NZ agencies, other countries (especially Australia, Canada, USA, UK, Denmark, etc.), papers from international agencies (World Bank, IMF, OECD), as well as key pieces from the academic literature.

Please submit ALL assignments IN HARD COPY, by 5.00pm on the appropriate dates indicated, to:

Post Experience Programmes,
School of Government,
Victoria University of Wellington,
Level 8 Reception,
Rutherford House,
23 Lambton Quay,
P.O. Box 600,
Wellington 6140.

Assignments submitted by post are given two days grace to allow for delivery time, while assignments that are submitted in person should be placed in the secure box at School of Government reception (Level 8, Rutherford House, Pipitea Campus, office hours = 8.30am to 5.00pm, Monday to Friday) by the due date/time. The assignment box is cleared daily, and assignments will be date stamped.

Assignment 1: Applying Economic Reasoning

Select one of the following topics:

- Immigration
- Minimum wages
- Illegal drugs
- Sale and supply of liquor
- Sale of human organs for transplantation

Your paper should:

- Define the problem
- Identify the key economic issues
- Draw on (and cite) both New Zealand and international literature and case studies
- Draw on studies that provide empirical evidence where relevant
- Discuss public policy options based solely on economic analysis and criteria
- Identify the strengths and limitations of an economic approach to your topic

The purpose of this exercise is to (1) deepen your understanding of applying economic reasoning to public policy questions; (2) stimulate reflection on both the strengths and shortcomings of this approach, and (3) prepare for the application of complementary perspectives in the second assignment.

Assignment 2: Using Complementary Perspectives

Based on readings from Section 2.1 and your own wider research, analyse the contribution *that both economics and alternative perspectives* can bring to public policy formation on the question of:

- ***Surrogate Motherhood***

Your paper should consider the legal, bioethical, moral and economic aspects which need to be addressed by policy makers. You should examine the policies in a number of other countries.

The purpose of this exercise is to (1) enhance your understanding of alternative approaches; and (2) illustrate how these can be used to complement an economic analysis of a public policy issue.

The following notes are included to clarify your understanding of the concept:

Surrogacy involves a woman (the surrogate mother) carrying a child for someone else, usually an infertile couple or sometimes a gay couple. Before she becomes pregnant, the surrogate mother agrees to give the child to the couple shortly after birth. There are different forms of surrogacy, and these can be grouped into categories:

- **Traditional surrogacy**

The surrogate mother provides the egg for fertilization, and the intended father provides the sperm. Fertilization can occur as the result of intercourse, in vitro fertilization (IVF), or artificial insemination. The surrogate mother is the genetic mother of the child. At birth the child is surrendered by the surrogate mother to the intended parents, with the female partner effectively becoming the step mother of the child.

- **Gestational surrogacy**

In gestational surrogacy, the surrogate mother is not related genetically to the child. An egg from the intended mother or from another female donor is fertilized by the sperm of the intended father, using IVF. The resulting embryo is then transferred to the uterus of the surrogate mother. If the IVF process has resulted in a number of embryos the remaining embryos may be frozen and stored for use at a later date.

- **Commercial surrogacy**

Takes place when the contract between the surrogate mother and the intended parents involves payment for the services of the surrogate mother. Some countries have legislation which outlaws commercial surrogacy, but allow "reasonable expenses" to be paid to the surrogate mother. In New Zealand, there is currently no law on surrogacy. Intending parents are usually referred by a fertility clinic to the National Ethics Committee on Assisted Human Reproduction (NECAHR), which gives approval on a case-by-case basis according to a set of guidelines. These include a requirement that the surrogacy be non-commercial.

Source: www.nathaniel.org.nz/

Assignment 3: Preparing a Policy Paper

Your manager is required to present a report to the Minister. Your task is to provide him/her with a substantial *background paper* on the following topic:

- New Zealand's foreign aid programme should be refocused toward economic development rather than poverty elimination.

The purpose of this exercise is to (1) provide an opportunity to integrate your understanding of economic and complementary frameworks in analysing a complex policy issue, and (2) develop your written communication skills.

Citing references

As a guide, I would expect that a well prepared assignment would contain at least 15-20 pertinent references – of course, you are not limited to this number! It is critical you read widely for your assignments and cite correctly the material on which you draw.

The preferred method is to place the author and the date in the text at the relevant point (Coleman 2008), and then list all the references at the end of the paper. If it is to a specific point, you should use the following format: Coleman (2008) argues that inflation taxes widows (p. 28). Citations are not included in the word count, which applies to the body of the text only. Do not use *op. cit*, *ibid*, and **do not** place references in footnotes. And please do not cite the lecture notes!!

There are many referencing styles. The main thing is to be consistent. The following are meant as a guide to an easy and simple system. Examples:

For an article:

- Coleman, A. (2008) "Why does inflation matter?" *Journal of Improbable Outcomes* 43(2): 112-118.

For a book:

- Coleman, A. (2006) *The Value of Nothing*. London: Thames University Press.

For a working paper or report:

- Coleman, A. (2007) "Do sunspots affect economic growth?" Working Paper 08/2007, Lumsden Institute for All Things Groovy.

Quality Assurance Note

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCom programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Students should keep a copy of all submitted work.

Class Attendance

Attendance is required at all three modular teaching days

If, before enrolment for a course, you are aware that you will not be able to attend for part of a day, you must notify the Director of Master's Programmes when you enrol explaining why you will not be able to attend. The Director of Master's Programmes will consult with the relevant course coordinator. In such circumstances, you may be declined entry into a course.

If you become aware after a course starts that you will be unable to attend a significant part of a day (i.e. more than two hours), you must advise the course coordinator explaining why you will be unable to attend. The course coordinator may excuse you from attendance and may also require you to complete compensatory work relating to the course content covered during your absence.

Penalties

The ability to plan for and meet deadlines is a core competency of both advanced study and public management. Failure to meet deadlines disrupts course planning and is unfair on students who do submit their work on time. It is expected therefore that you will complete and hand in assignments by the due date. *Marks will be deducted at the rate of five per cent for every day by which the assignment is late and no assignments will be accepted after five working days beyond the date they are due.* For example, if you get 65% for an assignment, but you handed it in on Monday when it was due the previous Friday, you will get a mark of 50%.

If ill-health, family bereavement or other personal circumstances beyond your control prevent you from meeting the deadline for submitting a piece of written work or from attending class to make a presentation, you can apply for and may be granted an extension to the due date. You should let your course coordinator know as soon as possible in advance of the deadline (if circumstances permit) if you are seeking an extension. Where an extension is sought, evidence, by way of a medical certificate or similar, may be required by the course coordinator.

Mandatory Course Requirements

You must submit or participate in all pieces of assessment required for this course.

Communication of Additional Information

Additional information or information on changes will be posted on Blackboard and conveyed to students by email.

Blackboard is Victoria University's online environment that supports teaching and learning by making course information, materials and other learning activities available via the internet through the myVictoria student web portal.

To access the Blackboard site for this course:

1. Open a web browser and go to www.myvictoria.ac.nz .

2. Log into myVictoria using your ITS Username (on your Confirmation of Study) and password (if you've never used the Victoria University computer facilities before, your initial password is your student ID number, on your Confirmation of Study, Fees Assessment or student ID card – you may be asked to change it when you log in for the first time).
3. Once you've logged into myVictoria, select Blackboard (from the options along the top of the page) to go to your Blackboard homepage.
4. The "My Courses" section displays the courses you have access to – select the appropriate link to access the course-specific Blackboard site. Please note that only courses that are actually using Blackboard and have been made available to students by their respective course coordinator will be displayed.

NOTE: Information emailed to you via Blackboard can only be sent to your @myvuw.ac.nz email address (the free email address created for you when you enrol and accessed via the myVictoria student web portal). If you want to receive these emails at your preferred email address (e.g. your home or work email address), it is **essential** that you activate your @myvuw.ac.nz email address before the start of the course and you modify the settings so all emails sent to it are automatically forwarded to your preferred email address. Please go to www.victoria.ac.nz/its/student-services/FAQs.aspx#Email_Forward for more information.

You are recommended to ensure that your computer access to Victoria University's computer facilities, such as myVictoria, Blackboard and email, is working BEFORE your course starts. If you have any problems, you should contact the ITS Helpdesk on (04) 463 5050 or its-service@vuw.ac.nz, or visit the Helpdesk on level 2 of the Railway West Wing, Pipitea Campus. See www.victoria.ac.nz/its/student-services/ for more information.

Academic Integrity, Plagiarism, and the Use of Turnitin

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

'Someone else's work' means anything that is not your own idea. Even if it is presented in your own style, you must still acknowledge your sources fully and appropriately. This includes:

- material from books, journals or any other printed source
- the work of other students or staff
- information from the Internet
- software programs and other electronic material
- designs and ideas
- the organisation or structuring of any such material.

Acknowledgement is required for all material in any work submitted for assessment unless it is a 'fact' that is well-known in the context (such as "Wellington is the capital of New Zealand") or your own ideas in your own words. Everything else that derives from one of the sources above and ends up in your work – whether it is directly quoted, paraphrased, or put into a table or figure, needs to be acknowledged with a reference that is sufficient for your reader to locate the original source.

Plagiarism undermines academic integrity simply because it is a form of lying, stealing and mistreating others. Plagiarism involves stealing other people's intellectual property and lying about whose work it is. This is why plagiarism is prohibited at Victoria.

If you are found guilty of plagiarism, you may be penalised under the Statute on Student Conduct. You should be aware of your obligations under the Statute, which can be downloaded from the policy website (www.victoria.ac.nz/home/about/policy/students.aspx). You could fail your course or even be suspended from the University.

Plagiarism is easy to detect. The University has systems in place to identify it.

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine www.turnitin.com. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

There is guidance available to students on how to avoid plagiarism by way of sound study skills and the proper and consistent use of a recognised referencing system. This guidance may be found at the following website: www.victoria.ac.nz/home/study/plagiarism.aspx.

If in doubt, seek the advice of your course coordinator.

Plagiarism is simply not worth the risk.

For the following important information, follow the links provided

Academic Integrity and Plagiarism

www.victoria.ac.nz/home/study/plagiarism.aspx

General University Policies and Statutes

Find key dates, explanations of grades and other useful information at www.victoria.ac.nz/home/study

Find out about academic progress and restricted enrolment at

www.victoria.ac.nz/home/study/academic-progress.aspx

The University's statutes and policies are available at www.victoria.ac.nz/home/about/policy, except qualification statutes, which are available via the Calendar webpage at www.victoria.ac.nz/home/study/calendar.aspx (See Section C).

Further information about the University's academic processes can be found on the website of the Assistant Vice-Chancellor (Academic) at

www.victoria.ac.nz/home/about_victoria/avcacademic/default.aspx

AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support

www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx

Faculty of Commerce Office

www.victoria.ac.nz/fcom/studenthelp/

Te Putahi Atawhai
Maori and Pacific Mentoring Programme
www.victoria.ac.nz/tpa/