School of Government

PADM 508
APPROVED PERSONAL COURSE OF STUDY
(24 Points)

(Taught with MAPP 522 ECONOMICS AND PUBLIC POLICY)

Trimester 2 / 2014

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
Director, People, Science and Enterprise Policy, Science, Skills and Innovation, Ministry of Business, Employment and Innovation
Telephone: 027 477 0765
Email: v.jacobsen@clear.net.nz

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

Mr Carl Hansen
Chief Executive, Electricity Authority
Telephone: (04) 460 8840
Email: carl.hansen@ea.govt.nz

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

Monday 14 July – Thursday 23 October 2014

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 from 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 25 July 2014**.

2. The standard last date for withdrawal from this course is **Friday 26 September 2014**. 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

This course is delivered in a modular format.

<table>
<thead>
<tr>
<th>Module One:</th>
<th>Thursday 17 July 2014</th>
<th>8.30am – 6.00pm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Module Two:</td>
<td>Thursday 4 September 2014</td>
<td>8.30am – 6.00pm</td>
</tr>
<tr>
<td>Module Three:</td>
<td>Thursday 23 October 2014</td>
<td>8.30am – 6.00pm</td>
</tr>
</tbody>
</table>

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 at [www.victoria.ac.nz/students/study/timetables](http://www.victoria.ac.nz/students/study/timetables).

Attendance is **required** at all teaching days

Prescription

This course considers a number of complex and 'wicked' policy issues and applies economic and other frameworks to design policy options for decision makers and citizens.
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

PADM candidates are expected to achieve these learning outcomes at a level that reflects the fact that this is a 24 point course. Moreover, in terms of learning outcomes, students are expected to engage at a level appropriate for senior managers in the NZ public sector (e.g. a strategic rather than operational focus; oriented towards whole-of-government rather than a single work unit or organisation; demonstrating synthesis, contextuality and multidisciplinarity in thinking), and will accordingly be assessed on that basis.

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 six weeks between each module. Attendance is required at all teaching days (8.30am – 6.00pm).

Course Structure: An Overview: 2014

<table>
<thead>
<tr>
<th>Session</th>
<th>Module 1</th>
<th>Module 2</th>
<th>Module 3</th>
</tr>
</thead>
</table>
| 8.30am – 10.30am| Economic Principles and their Application to Public Policy Issues | 2.1 Widening the Net  
- Behavioural Economics  
- Institutional Economics  
- Rights Based Models  
- Social Capital | 3.1 Class Workshop  
Regulation as a tool of public policy |
|                 | 1.1 How the Market Works          |                                   |                                   |
| 10.30am – 11.00am|                                   |                                   |                                   |
| 11.00am – 12.30pm| 1.2 When the Market Fails         | 2.2 Case Study  
- Taxes and Welfare | 3.2 Case Study  
The Electricity Market  
Guest Lecturer: Carl Hansen |
|                 |                                   |                                   |                                   |
| 12.30pm – 1.30pm| 1.3 When Government Fails         | 2.3 Case Study  
- Using Incentives to Achieve Policy Objectives in Health Care  
Guest Lecturer: Dr Bronwyn Croxson | 3.3 Case Study  
Aid in the Pacific: A Policy Challenge for NZ  
Guest Lecturer: Dr Brian Bell |
| 1.30pm – 3.30pm |                                   |                                   |                                   |
| 3.30pm – 4.00pm |                                   |                                   |                                   |
| 4.00pm – 6.00pm | 1.4 Case Study  
- Criminal Justice | 2.4 Class Workshop  
Group work to prepare presentations on selected current policy issues. | 3.4 Group presentations  
Current Policy Issues |

Morning Tea

Lunch

Afternoon Tea
**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 240 hours (including class contact time) for a 24-point course.

**Group Work**

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

**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:


**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:


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:


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

- [www.daviddfriedman.com/Academic/Price_Theory/PThy_ToC.html](http://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:

- 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).

**Useful Websites**

- Australian Policy Online (APO): [www.apo.org.au](http://www.apo.org.au). This is an excellent source for current (Australian) policy reports.
- National Center for Policy Analysis: [www.ncpa.org](http://www.ncpa.org), a similar site for the USA.
- For a wide range of papers in economics, see: [http://ideas.repec.org/](http://ideas.repec.org/)
- Mercatus Center, George Mason University: [www.mercatus.org](http://www.mercatus.org) for a range of material under the Economics and Public Policy tab.
- The blogosphere is full of the musings of good economists on public policy issues: among my favourites are:
  - [www.marginalrevolution.com/](http://www.marginalrevolution.com/)
  - [http://offsettingbehaviour.blogspot.co.nz/](http://offsettingbehaviour.blogspot.co.nz/)
  - [http://delong.typepad.com/](http://delong.typepad.com/)
  - [http://gregmankiw.blogspot.com](http://gregmankiw.blogspot.com/)
  - [www.economicthinking.org/](http://www.economicthinking.org/)
  - [http://offsettingbehaviour.blogspot.com/](http://offsettingbehaviour.blogspot.com/)
  - [www.adamsmith.org/blog/](http://www.adamsmith.org/blog/)
- Centre for Independent Studies: [www.cis.org.au](http://www.cis.org.au/)
- The Australia Institute: [www.tai.org.au](http://www.tai.org.au/)
- Policy Studies Institute (UK): [www.psi.org.uk](http://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.
• The Treasury publishes a monthly series on basic economic indicators: www.treasury.govt.nz/economy/mei
• The Reserve Bank has an extensive series of data: see www.rbnz.govt.nz/statistics/
• On this same site there is a very useful set of Key Graphs: www.rbnz.govt.nz/statistics/key_graphs/

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 Service Desk on (04) 463 5050 or its-service@vuw.ac.nz. 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**


**Supplementary Readings**

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

  www.ischool.berkeley.edu/%7Ehal/Papers/theory.pdf
  www.treasury.govt.nz/publications/research-policy/wp/2003/03-26/

Supplementary Readings

  www.econ.canterbury.ac.nz/personal_pages/bob_reed/econ3003/area1b.htm
  - 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

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

  www.econlib.org/library/Enc/Externalities.html
  www.econlib.org/library/Enc/PublicGoods.html
- Crampton, Eric (2007) “Market Failure”
  http://offsettingbehaviour.blogspot.co.nz/search/label/market%20failure

Supplementary Readings

  www.fee.org/the_freeman/detail/witch-hunting-for-robber-barons-the-standard-oil-story
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


Supplementary Readings


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


Supplementary Readings


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
• 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.

Supplementary Readings
  www.dictionaryofeconomics.com/article?id=pde2008_B000331
  www.dictionaryofeconomics.com/article?id=pde2008_P000240
  www.boston.com/bostonglobe/editorial_opinion/oped/articles/2008/04/17/economic_policy_for_humans/
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
- Key Features of the New Zealand Welfare System
- Description of Social Assistance Benefits in New Zealand
  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
  http://ips.ac.nz/publications/files/2d6039de603.pdf

Supplementary Readings

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 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)

**Supplementary Readings**


**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?

2.4 Class Workshop: Current Policy Issues

In this session, you will work in your groups to prepare for **Session 3.4 Group presentations** which will take place at:

**4.00pm on Thursday 23 October 2014**

- On the first day of the course (Thursday 17 July 2014), you will have been assigned to one of four Groups, and each Group will have been assigned a current policy issue. You will need to have researched the topic and read widely so as you come to this workshop session prepared to fully contribute to your Group’s effort.
- In this session you will:
  - Identify the key issues
  - Analyse how you will apply economic principles
  - Consider what alternative approaches might be relevant
  - Identify and evaluate at least 2 policy options for dealing with the issue
  - Plan a 15 minute presentation and decide which members of the group will be participating as speakers in the presentation (it is recommended you have at least 3 speakers – say five minutes each – to cover the key issues you wish to present).
- You may wish to note the email addresses of each member of your group as you will need to do further preparation and communicate over the following 2 months.
Current Policy Issues

<table>
<thead>
<tr>
<th>Group</th>
<th>Topic</th>
<th>Assignment</th>
</tr>
</thead>
</table>
| A     | Partnership (Charter) Schools | • Analyse the case for and against partnership schools  
• Form a policy recommendation |
| B     | Child Poverty | • Analyse the role of the state in addressing child poverty  
• Set out your policy advice |
| C     | Sale of State Assets | • Analyse the case for and against the sale of state assets  
• Form a policy recommendation |
| D     | Foreign Direct Investment | • Should foreigners be able to own land in New Zealand. Analyse the case for and against.  
• Form a policy recommendation |

- You will need to research the topic drawing on current New Zealand sources and material from other countries where applicable. The following are just a few leads to get you started. You will need to read more widely.


<table>
<thead>
<tr>
<th>Group</th>
<th>Topic</th>
<th>Assignment</th>
</tr>
</thead>
</table>
• [www.educationreview.co.nz/education-in-review/december-2012/charter-schools-answer-to-underachievement-or-mad-experiment/#.UZbOBoIfm6c](http://www.educationreview.co.nz/education-in-review/december-2012/charter-schools-answer-to-underachievement-or-mad-experiment/#.UZbOBoIfm6c) |
| C     | Sale of State Assets | • [www.treasury.govt.nz/government/assets](http://www.treasury.govt.nz/government/assets)  
Module 3

3.1 Class Workshop: Regulatory Institutions and Practices
The objective of this session is for you to develop an appreciation for the role and limitations of regulation as an instrument of public policy. You will achieve this by examining the issues and recommendations of the Inquiry by the Productivity Commission into Regulatory Institutions and Practices, and drawing on this report to analyse issues for public policy.

The class will be divided randomly into four equal groups. Each group will choose a speaker who will make an oral presentation to the class.

- **Group A**
  Why do we have regulation? When is it the government’s responsibility and when can it be left to self-regulation by the market?

- **Group B**
  What are the principles that any regulatory system should reflect?

- **Group C**
  How do we ensure that regulations are achieving their stated purposes?

- **Group D**
  Suppose you have been asked to assess the benefits and costs of regulation in a particular sector? Describe the things you would look for?

Each student will be assigned to a group when the class meets on Thursday 17 July (module 1). The groups will be the same as for Class Workshop 2.4. 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.

- All the material you will need for your preparation is on the Productivity Commission’s website: [www.productivity.govt.nz/inquiry-content/1788?stage=3](http://www.productivity.govt.nz/inquiry-content/1788?stage=3)
- There you will find the:
  - Terms of Reference for the Inquiry
  - An issues paper
  - Submissions
  - The draft and final reports and recommendations (Note: the Final Report is due to be posted on 30 June 2014)
- Some of the documents are very long, so start by reading the summary versions; but do look at the full reports as there is a lot of richness and examples.
- Also on the website you will find a video presentation by Murray Sherwin, the Chair of the Productivity Commission. You should watch this.

3.2 Case Study: The electricity sector

Required Readings

- [www.electricityinfo.co.nz/comitFta/ftapage.main](http://www.electricityinfo.co.nz/comitFta/ftapage.main)
Key Questions

- Why is the government involved in the electricity market?
- How is competition promoted?
- Why has the retail price of electricity increased?
- What is the strategy for ensuring security of supply?

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

Required Readings


Supplementary Readings

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 on 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.
5. Has the institutionalisation of participation in development changed for the betterment of Pacific developing countries the power structure, who drives the development agenda and the outcomes of development assistance?

3.4 Group presentations: Current Policy Issues
- Each group will have 15 minutes for their presentation
- Scoring system for Group Presentations:

<table>
<thead>
<tr>
<th>Mark</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Has developed a clear statement of the problem</td>
</tr>
<tr>
<td>5</td>
<td>Has applied economic principles and other approaches where relevant</td>
</tr>
<tr>
<td>5</td>
<td>Has identified and evaluated at least two alternative policy options for dealing with the issue</td>
</tr>
<tr>
<td>5</td>
<td>Overall quality of the content and presentation</td>
</tr>
<tr>
<td></td>
<td>Total = 20 (Each member of the group will receive the same mark)</td>
</tr>
</tbody>
</table>

Assessment

The information is this section may be modified for PADM students. The course coordinator will confirm the assessment requirements.


In particular, there will be a new grade scheme, in which the A+ range will be 90-100% and 50-54% will be a C-.

There are three required assignments in this course. Each in turn relates to one of the three broad learning objectives of the course.
<table>
<thead>
<tr>
<th>Assignment</th>
<th>Due Date</th>
<th>Weight</th>
<th>Guidelines</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Applying economic reasoning</td>
<td>5.00pm, Thursday 14 August 2014</td>
<td>40%</td>
<td>1,500 words maximum</td>
</tr>
<tr>
<td>2. Using complementary perspectives</td>
<td>5.00pm, Thursday 2 October 2014</td>
<td>40%</td>
<td>1,500 words maximum</td>
</tr>
<tr>
<td>3. Preparing a policy presentation</td>
<td>4.00pm, Thursday 23 October 2014</td>
<td>20%</td>
<td>15 minutes for each group</td>
</tr>
</tbody>
</table>

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. It is important that you present evidence of having read widely for the assignments.

Please submit BOTH written assignments (assignments 1 and 2) 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 strengthens 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 but you should not use up valuable space in your 1,500 word limit by repeating this information):

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: A Policy Presentation**
See Section 2.4 above for details.

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 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: e.g.

- 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.

Three DO NOTS:
- Do not use op. cit, ibid
- Do not place references in footnotes.
- And please Do not cite the lecture notes!!

Examples:

**For an article:**

**For a book:**

**For a working paper or report:**
For students for whom English is not their first language!!
For some students, it will be good practice to have a friend who is a native English speaker edit your final draft before submitting it. Grammatical errors can sometimes cloud the meaning making comprehension difficult – and in that case you could unnecessarily lose points. There is help available: see: www.victoria.ac.nz/st_services/slss/whatweoffer/international.aspx

Students should keep a copy of all submitted work.

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 55%.

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.

Please note: Extensions for submitting assignments will NOT be granted on the basis you have assignments also due in other courses about that time. You will have known about the deadlines weeks ahead. Planning ahead and organising your time is again a core competency for both your University studies and in your job.

Mandatory Course Requirements

In addition to obtaining an overall course mark of 50 or better, students must submit or participate in all pieces of assessment required for this course.

If you cannot complete an assignment or sit a test or examination, refer to www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat.

Communication of Additional Information

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

This course will also be using Blackboard, 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_Foreward 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 Service Desk on (04) 463 5050 or its-service@vuw.ac.nz. 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.**

**School of Government Service Standards**

Good learning and teaching outcomes for students in School of Government courses depend on many factors, including open, transparent and accountable relationships between teaching and support staff, and students in their various activities. The following service standards indicate some of the key expectations that teaching staff and students can have of each other. In all cases, they represent what the School believes should be ‘normal’ practice; exceptional circumstances can and will be negotiated as required.

Please note that there are University-wide policies relating to assessment – including rights of review and appeal. Details may be found in the Assessment Handbook (which is reviewed and updated from time to time – www.victoria.ac.nz/about/governance/dvc-academic/publications).

In general terms, any concerns that a student or students may have should be raised with the course coordinator in the first instance. If that course of action is not appropriate, the School’s programme support staff will direct you to the relevant Programme Director/Coordinator.

**Standards relating to staff timeliness of responses to email and phone queries:**

- Email or phone queries from students will be responded to in 48 hours

**Standards relating to availability of course materials:**

- Students on modular or intensive courses will usually have course materials at least 4 weeks before the course starts
- Students on weekly courses will usually have course materials available on the first day of the course
Standards relating to attendance:

- It is expected that students will attend all contact teaching sessions for a course. If a student is aware that they will be unable to attend part of a course prior to it commencing, they are required to advice the course coordinator. In such a situation, the student may be declined entry into the course.
- Where a course coordinator approves some non-attendance before the class commences, the course coordinator may set additional item(s) of assessment of learning and teaching objectives for the course for students unable to attend. Advice relating to the submission and assessment of any such additional assessment will be provided by the course coordinator.

Variations to the assessment details provided in the course outline:

- Any variation to the assessment details in the course outline will be formally agreed between the course coordinator and students at the earliest possible time, preferably at the beginning of the course.

Standards relating to assignments – turnaround and feedback:

- Unless otherwise agreed between students and the course coordinator, items of assessment will be marked within 15 working days of submission.
- Comments on pieces of assessment will allow students to understand the reasons for the mark awarded, relative to the teaching and learning objectives specified in the course outline, and will usually include advice on how the student can improve their grades in future assignments.

Student Feedback

Student feedback on University courses may be found at www.cad.vuw.ac.nz/feedback/feedback_display.php.

Link to General Information

For general information about course-related matters, go to www.victoria.ac.nz/vbs/studenthelp/general-course-information.

Note to Students

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 academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.