New York University
Robert F. Wagner Graduate School of Public Service

Institutions, Governance and Public Sector Reform

EXEC-GP 2201 Fall 2017
Saturdays, 2:30-6:00 pm Bobst Library
Sept. 9, 23; Oct. 7, 21; Nov. 4, 18; Dec. 9 Room LL-138

Instructors

John Gershman  Puck, 3018  212-992-9888  john.gershman@nyu.edu
Office Hours: Mondays, 4:00-6:00 pm and by appointment

Paul Smoke  Puck, 3052  212-998-7497  paul.smoke@nyu.edu
Office Hours: Tuesdays, 2:00-4:00 pm and by appointment

Course Description

This course reviews conceptual and practical perspectives on global efforts to reinvent government and improve its performance. There have long been divergent and evolving views about balancing the role of governments and markets and how government should be organized and managed. Ongoing debates and efforts in advanced economies have heavily influenced theory and practice in developing countries, which became a global concern in the 1940s and 1950s after World War II and as Africa and Asia decolonized. This period also witnessed the rise of internationalism and global governance with the creation of the United Nations, World Bank, International Monetary Fund and later other major global organizations, agreements and forums.

Public sector reforms in practice have been mixed and uneven across countries, both in terms of how they have been framed/managed and the results they have achieved. Even the wealthiest and most capacitated countries have faced considerable challenges and continue to seek ways of using government differently and/or more effectively. Many developing countries have made some gains in transforming themselves--increasing capacity, promoting development, democratizing, and reducing poverty--and a number have entered middle income status. Other countries have fared less well, remaining constrained by various governance, resource and capacity gaps. Some challenges are attributed to flaws in reform approaches, while others stem more centrally from weak implementation. Over time, there has been growing emphasis on the role of adopting appropriate institutions and governance mechanisms. As reforms have unfolded, the global and local landscapes have changed and many new actors--governmental and nongovernmental, as well as international, regional, national and local--have entered the field.

The course begins with a brief overview of debates about the role of government and how it should function, following the movement from narrower and more technical to broader and more institutional/political approaches. The bulk of the course focuses on specific reforms intended to improve government performance through restructuring and redefining how it operates as rapid economic, political and social changes—both global and local—evolve in different countries at
various stages of development. One set of reforms covers establishing and enhancing **basic institutional mechanisms that define relations between the public sector and private firms and citizens**. Another set considers the **organizational structure and management of government**. As we work through the topics, we consider competing theoretical perspectives and empirical evidence, often acknowledging that there are few definitive policy prescriptions for improving government performance. An underlying theme is the need to **go beyond the tendency to use fixed goals, pre-packaged tools and narrow frameworks in pursuit of “best practice” answers**. Instead, the course uses diverse readings and cases to challenge participants to **think rigorously and creatively in seeking levers of change that matter and are feasible for the pursuit of effective public sector reform in specific contexts**.

**Course Objectives**

By the end of the course participants will:

1. **Understand the evolution of the theory and practice of thinking about institutions and governance** in managing societies, including current trends and challenges;
2. **Acquire a critical perspective of conventional blueprints, received wisdoms and misconceptions** prevalent in mainstream discourse about the role and operation of government;
3. **Identify and analyze the potential and actual roles played by various key actors**—international organizations, national and local governments, private businesses, NGOs and citizens—in promoting effective government and collective action; and
4. **Think more analytically, holistically and strategically** about existing avenues for institutional reform and opportunities for pragmatic and sustainable change.

**Course Format**

The course meets on **seven Saturdays** (listed above). The format will blend lecture, discussion, in-class participatory assignments, and guest speakers.

Please note that it has been challenging to schedule speakers this year for the new Saturday format than it has in the past with the regular weekly midday format. We could not get speakers on some topics on the day we would have preferred. Accordingly, **there may be a few times when a guest presents out of the order of the logical flow of the class material**, but it will always be on a topic that we have already covered to some extent in class.

The course is composed of **five modules**:

- **The first module** offers a brief survey of the history of thinking on the role of government, culminating in the present focus on improving institutions and governance in a globalizing context.
- **The second module** examines core public sector institutions that define the basic rules of the game for the behavior of businesses and citizens—rule of law, property rights, and regulatory regimes, and examines if and how they are promote or impede the attainment of priority economic, political and social goals.
• The third module explores the challenges of reforming public management and governance systems, i.e. the structures and processes that governments and societies adopt to manage collective action—administrative, fiscal and civil service frameworks and decentralization and intergovernmental relations.
• The fourth module considers the role of the private sector and civil society in the evolving governance systems (covered in the third module) and beyond, including public-private partnerships, civic participation and social accountability.
• The final module concludes the course with a synthetic treatment of how to think innovatively and realistically about public sector reform and the role of nongovernmental actors. This module will be built around presentations prepared by the class participants.

Please keep in mind that the topics covered in the various modules are interrelated, so some issues will emerge multiple times and in various forms. Indeed, one core goal is to challenge you to think in a holistic way about the science and art of reforming institutions and governance.

Readings

There is no textbook for the course. Assigned readings cover a wide range of topics. Authors come from different countries and represent different political positions, academic disciplines and research traditions, as well as different parts of the world of practice. The topics are large and the readings are illustrative of key issues and debates rather than comprehensive in coverage. Some readings may seem old, but they are assigned because they make important points that remain valid and/or are the original articulation of a powerful idea. In some cases, the "readings" are in the form of website postings, videos or podcasts (links provided).

Readings are divided into primary (some are marked high priority and the others are recommended) and supplementary. We will give guidance on the content and relative importance of readings before each class. We expect everyone to have read the high priority material prior to class. Beyond that, you are free to make your own decisions about what to focus on. The primary and many supplementary readings (except books or readings that cannot be posted due to various constraints) are available under the Resources tab of the NYU Classes course site or through links provided in the syllabus. Other supplementary readings are largely accessible through the NYU Library system or can be searched and downloaded online.

As the course progresses, we may add or remove readings or articles. This means that we consider the reading list to be a living document. If you run into articles or blogs that are relevant, feel free to alert us and/or circulate them to the class members through NYU Classes.

Requirements

The grade will be based on the following three requirements:

• Class Participation (30%)
• Individualized Topic Memo (30%)
• Final Project (40%)
Class Participation

Active class participation means coming to class prepared to engage in thoughtful and reflective discussion, and being able to ask good questions and debate possible answers. Given the small size of the group, attendance and broad engagement in class discussion is critical.

Please note that the attendance requirement is subject to NYU's Policy on Religious Holidays (https://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/university-calendar-policy-on-religious-holidays.html).

As part of the participation process, we will ask each participant to serve as the resource person for two class topics (for which you will sign up in the first class). Each resource person prepares a reading reaction memo of 3-4 pages (including discussion questions) and plays a leading role in promoting discussion and debate on the topic being covered.

The reading reaction memo should: (a) compare and contrast key points that strike you from the reading(s); (b) evaluate the arguments and evidence on the point(s) you cover, identifying what was insightful, mundane, unclear, incomplete, contradictory, etc.; and (c) conclude with 3-4 questions for class discussion. The reaction memo should not merely summarize the reading(s) you consider, but it should also demonstrate an active engagement with the point(s) you select to focus on, including how it (they) relate to your own experience, previous readings and/or with the larger set of issues covered in this course. The reading reaction memo should be shared with the class members through NYU Classes by 12 noon the day before the class meeting it is being prepared for.

Individualized Topic Memo

During the course of the semester, each participant should be thinking about issues covered in the course that are of particular interest and/or practical value to them. Not only will this help you to decide which material is most relevant for you, but it can also assist you to focus on the topic for your required final project for the course (see below). To facilitate this process, you are required to prepare an individualized topic memo. The topic should be cleared by the instructors by October 7 and the memo is due in class by November 4. You should start thinking about the memo soon--we are happy to discuss with you and to comment on early drafts.

Some of you may wish to use this memo to outline your final project. Others may know early on what their final project will focus on and may instead prefer to write the memo on another course-related topic of specific interest. Given the nature of the class and the diversity of the participants, we want to be flexible in how you approach these memos. You could, for example, write a reflective commentary on what you have learned from the readings and discussion on a particular topic. Alternatively, you could compare and contrast multiple topics, write an essay on how a topic relates to an issue or case you are familiar with or interested in, or try to fill a gap in the way we have treated a particular topic. If you have any doubts about what constitutes a "legitimate" memo, please consult the instructors.
Final Project

The final project topic can be negotiated as long as it is directly relevant for the subject matter of the course. It could, for example, be a more comprehensive treatment of the material covered in your individualized topic memo, an attempt to apply an analytical perspective covered in the course to a specific case, or a critical examination of the literature on a relevant issue not covered in class. Each participant should prepare a one-page abstract of the proposed topic by October 21, and you must clear the final topic with the course instructors by November 4.

Each participant will make a 15 minute presentation (in Powerpoint) during one of final two class meetings (November 18 or December 9). In addition to this presentation, you must select one of these three options: (a) embellish the presentation with detailed notes and bibliography (no formal paper required); (b) write a formal term paper based on the presentation (with no additional work required on the presentation itself); or (c) write a policy/management memo to a client based on the presentation (with no additional work required on the presentation itself).

The final project can be based on academic research, reports from think tanks and agencies, government documents, personal interviews, etc. The final project materials (which may be revised after the class presentation/discussion) are due on or before December 18.

Assignment Format and Submission: All assignments should be written in Times New Roman 12, doubled-spaced lines, with one-inch margins all around. Please submit assignments on NYU Classes. Powerpoint presentations can use whatever formatting you wish as long as it is readable.

Academic Honesty and Grading Policy

The course follows the NYU Wagner policy guidelines on academic honesty and grading. It is your personal responsibility to become familiar with these policies. All students are expected to pursue and meet the highest standards of academic excellence and integrity.

Please see the NYU Wagner Student Portal for information on the academic code and grading policy (you need to be logged in to access these links).

Academic Code: https://wagner.nyu.edu/portal/students/policies/code
Grading: https://wagner.nyu.edu/portal/students/policies/grading

Late Policy

Extensions will be granted only for exceptional circumstances. This policy is adopted out of respect to those who have abided by deadlines, despite equally hectic schedules. Assignments handed in late without authorized extensions will be penalized one-third of a grade per day.

This Course in the NYU Wagner EMPA Context

This is one of four required courses for the NYU-UCL Global EMPA program and is an elective for other NYU Wagner EMPA students. It is not open to students in other Wagner programs.
Governance Indexes and Assessment Diagnostics

There has been substantial growth in the development of diverse tools to assess institutions and governance by international organizations, think tanks and nongovernmental actors. These can be a valuable resource. Some are very broad, covering many aspects of governance, while others focus on a specific aspect (e.g. rule of law, property rights, human rights) or specific public service sectors (e.g. health or water). There are many such tools and there is often overlap among them, and they vary in quality. A few that might serve as a starting point for those who wish to explore them include the following:


**Universal Human Rights Index:** The UN Office of the High Commissioner for Human Rights provides a Universal Human Rights Index, a searchable database on general and specific mandates/recommendations/assessments regarding human rights: [http://uhri.ohchr.org/about](http://uhri.ohchr.org/about).

**Commitment to Development Index:** The Center for Global Development annually ranks 27 of the world's wealthiest countries on how they interact with developing countries. The index covers not only development assistance, but how other policies--exports, policies to encourage investment and financial transparency, migration, environmental policies, international security, and support for technology creation and transfer--affect developing countries: [https://www.cgdev.org/publication/commitment-development-index-2016](https://www.cgdev.org/publication/commitment-development-index-2016).

**Global Governance Report Card:** The Council on Foreign Relations has developed with other think tanks a report card that assesses responses to ten global challenges: climate change, global health, nuclear proliferation, development, managing the global economy, combatting terrorism, violent conflict between states, cyber governance, global trade, and internal conflict. [https://www.cfr.org/interactives/reportcard2017/](https://www.cfr.org/interactives/reportcard2017/).

**Rule of Law Index:** The World Justice Project assesses performance using 44 indicators across eight categories, each of which is scored and ranked globally and against regional and income peers: constraints on government powers, absence of corruption, open government, fundamental rights, order and security, regulatory enforcement, civil justice and criminal justice. [https://worldjusticeproject.org](https://worldjusticeproject.org).

**International Property Rights Index:** The Property Rights Alliance produces this index for 131 countries (latest is 2017). It measures the legal and political environment (judicial independence, rule of law, political stability, corruption control); physical property rights (protection, registration); and intellectual property rights (protection, patents, copyrights): [https://www.internationalpropertyrightsindex.org](https://www.internationalpropertyrightsindex.org).
EXEC-GP 2201 Course Schedule Fall 2017
(Note: subject to change)

I. Historical Overview: An Institutional Perspective on Public Sector Reform (9/9 and 9/23)
   1. Governments & Markets: Mainstream Thinking, Enduring Debates, New Perspectives
   2. The Prominent Emergence of Institutionalism and Good Governance
   3. Global Governance: Traditional and Emerging Approaches and Organizations

II. Institutions: Shaping the Rules of the Economic Game (9/23 and 10/7)
   1. Overview/Rule of Law: Rights, Obligations and Enforcement
   2. Property Rights: Public Goods, Investment and Innovation

III. Governance Reform: Structures, Processes, and Functions (10/7 and 10/21)
   1. Overview and The Administrative/Fiscal Framework
   2. The Civil Service
   3. Decentralization, Intergovernmental Relations and Local Governance

IV. Governance Reform: The Role of Nongovernmental Actors (11/4 and 11/18)
   1. Public-Private Partnerships
   2. Civic Engagement, Civil Society and Social Accountability

V. Synthesis and Wrap-up: Pragmatic Reform of Institutions and Governance (11/18 and 12/9)
   1. Class Presentations
   2. Open Discussion: Reimagining Institutional and Governance Reform

FINAL PROJECT/PAPER DUE December 18th
Institutions, Governance and Public Sector Reform

Outline and Reading List

I. Historical Overview: An Institutional Perspective on Public Sector Reform

A. Governments and Markets: Mainstream Thinking, Enduring Debates, New Perspectives

Primary Readings


Supplementary Readings

*Winston, David. Government Failure versus Market Failure. Washington, DC: AEI-Brookings Center for Regulatory Studies, 2006. (This is an overview with bibliography for those who do not have a strong background in or wish to review debates about the role of government).


1Readings marked with "★" are high priority. Readings marked with an "*" are available on NYU Classes.


B. The Emergence of Institutions and Good Governance

Primary Readings

★Acemoglu, Daron and James Robinson, Why Nations Fail (New York, NY: Crown Business/Random House, 2012). A short Economist interview with Acemoglu can be found at https://www.youtube.com/watch?v=qNVXeJR2Z1s or you could view a longer TEDx talk by Robinson at https://www.youtube.com/watch?v=jsZD1BU36n0


Supplementary Readings


C. Global Governance: Traditional/Emerging Approaches and Organizations

Primary Readings


Wolf, Martin. "Donald Trump's Bad Judgment on the Paris Accord." *Financial Times*, June 6, 2017. [https://www.ft.com/content/eecc80f6-4936-11e7-a3f4-c742b9791d43](https://www.ft.com/content/eecc80f6-4936-11e7-a3f4-c742b9791d43)

Supplementary Readings


II. Institutions: Shaping the Rules of the Economic Game

A. Rule of Law: Rights, Obligations and Enforcement

Primary Readings


Supplementary Readings


**B. Property Rights: Public Goods, Investment and Innovation**

*Primary Readings*


**Supplementary Readings**


**III. Governance Reform: Structures, Processes, and Functions**

**A. Overview of Public Sector Reform and The Fiscal Framework**

**Primary Readings**


★*Cangiano, Marco, Teresa Curristine and Michel Lazare. eds. *Public Financial Management and Its Emerging Architecture.* (Washington, DC: International Monetary Fund, 2013). Read the introductory chapter by the editors (pp. 1-17) and skim Chapter 2 by Allen Schick, pp. 21-78.


**Supplementary Readings:**


B. The Civil Service

**Primary Readings**


**Supplementary Readings**

McCourt, Willy and Martin Minogue, eds. *The Internationalization of Public Management: Reinventing the Third World State* (Cheltenham, UK: Edward Elgar, 2001).


C. Decentralization, Intergovernmental Relations and Local Governance

Primary Readings


**Supplementary Readings**


**IV. Governance Reform: The Role of Nongovernmental Actors**

**A. The Private Sector and Public Private Partnership**

**Primary Readings**

★*World Bank Institute and *Public-Private Partnership Reference Guide*. (Washington, DC: The World Bank, 2012). *(This is a detailed overview; please focus on Module 1, pp. 15-44.)*


**Supplementary Readings**


B. Civic Engagement, Civil Society and Social Accountability

**Primary Readings**


**NY City Council Participatory Budgeting Site:** [https://council.nyc.gov/pb/](https://council.nyc.gov/pb/) (includes a video and participatory budgeting guidelines).

**Supplementary Readings**


V. Synthesis/Wrap Up: Pragmatic Reform of Institutions & Governance

The purpose of the final classes will be to try to bring some sense of synthesis and a forward-looking perspective to the diverse and complex material covered in this course. Most of the final sessions will involve presentations by the class participants, but we will also leave some time for open questions and discussion. We suggest below a few readings on approaches to thinking about reform that you may wish to review selectively.

**Primary Readings**


**Supplementary Readings**


