Teaching in Business and Government Policy
John F. Kennedy School of Government
Harvard University
2007 – 2008

YEAR COURSES

CCJ-150Y - Seminar: Criminal Justice Policy and Management
Yearlong, 1.0 Credit
Timothy Nelson, Mary Ruggie & Julie Wilson
Designed for MPP2s conducting independent Policy Analysis Exercises (PAEs) in the field of criminal justice. Past topics have included studies of racial disparities in drug arrests and police response to domestic violence. Large group meetings will focus on choosing a client, choosing a topic, and frameworks for policy analysis. Once clients have been chosen (October), we will break into smaller groups where students will meet regularly with an advisor and other students conducting PAEs on similar topics. Students are required to write a PAE, give a presentation of their research, and provide intellectual support to others in the course. Open to MPP2 students only. Taught jointly with HCP-150Y, HLE-150Y, NPS-150Y, and PED-150Y.

ENR-551Y - Seminar on Environmental Economics and Policy
Yearlong, 1.0 Credit
Robert Stavins & Martin Weitzman
This is an advanced research seminar on selected topics in environmental and resource economics. Emphasizes theoretical models, quantitative empirical analysis, and public policy applications. Includes presentations by invited outside speakers. Students prepare critiques of presented papers and prepare a research paper of their own. Prerequisites: This course is intended primarily for PhD students in economics, political economy and government, public policy, or related fields with interests in applications in the environmental and natural resource area. Prerequisites include a graduate-level course in microeconomic theory, such as Econ. 2010a, Econ 2020a, API-109, API-110, or permission of instructor. Also offered by the Department of Economics as Econ. 2690 hf.

HCP-150Y - Seminar: Health Policy and Management
Yearlong, 1.0 Credit
Timothy Nelson, Mary Ruggie & Julie Wilson
Designed for MPP2s conducting independent Policy Analysis Exercises (PAEs) in the field of health policy. Past topics have included an evaluation of strategies to reduce adverse drug events in hospitals and employer response to “pay or play” systems. Large group meetings will focus on choosing a client, choosing a topic, and frameworks for policy analysis. Once clients have been chosen (October), we will break into smaller groups where students will meet regularly with an advisor and other students conducting PAEs on similar topics. Students are required to write a PAE, give a presentation of their research, and provide intellectual support to others in the course. Open to MPP2 students only. Taught jointly with CCJ-150Y, HLE-150Y, NPS-150Y, and PED-150Y.

HLE-150Y - Seminar: Human Services, Labor and Education Policy and Management
Yearlong, 1.0 Credit
Timothy Nelson, Mary Ruggie & Julie Wilson
Designed for MPP2s conducting independent Policy Analysis Exercises (PAEs) in human services, labor, or education. Past topics have included an assessment of services for families involved in the welfare and child welfare systems and strategic plans for charter schools. Large group meetings will focus on choosing a client, choosing a topic, and frameworks for policy analysis. Once clients have been chosen (October), we break into small groups where students will meet regularly with an advisor and with other students conducting PAEs on similar topics. Students are required to write a PAE, give a presentation of their research, and
provide intellectual support to others in the course. Open to MPP2s only. Taught jointly with CCJ-150Y, HCP-150Y, NPS-150Y and PED-150Y.

**NPS-150Y - Seminar: The Non-profit Sector**
Yearlong, 1.0 Credit
*Timothy Nelson, Mary Ruggie & Julie Wilson*
Designed for MPP2s conducting independent Policy Analysis Exercises (PAEs) on nonprofit organizations, this seminar offers readings and guidance for PAEs concerned with organizational strategy, governance, marketing, and partnerships with other agencies. Past topics have included expansion strategies for an inner-city nonprofit literacy program, designing a church-sponsored racial reconciliation initiative in a troubled American city, and establishing an organization to promote affirmative action in higher education in Brazil. Large group meetings focus on choosing a client, choosing a topic, and frameworks for policy analysis. Once clients have been chosen (October), students break into smaller groups where students will meet regularly with an advisor and other students conducting PAEs on similar topics. Students are required to write a PAE, give a presentation of their research, and provide intellectual support to others in the course. Open to MPP2 students only. Taught jointly with CCJ-150Y, HCP-150Y, HLE-150Y, and PED-150Y.

**PED-150Y - Seminar: Political and Economic Development**
Yearlong, 1.0 Credit
*Timothy Nelson, Mary Ruggie & Julie Wilson*
Designed for MPP students concentrating in political and economic development either in the United States or abroad. Students are required to take the initiative to find a client and write a major paper, the Policy Analysis Exercise (PAE), give several presentations on their own project, and provide intellectual support for others in the course. The emphasis is on becoming an effective professional in the field of domestic or international political and economic development. Open to MPP2 students only. Taught jointly with CCJ-150Y, HCP-150Y, HLE-150Y, and NPS-150Y.

**PED-250Y C Second-Year Policy Analysis Seminar**
Yearlong, 1.0 Credit
*Jay Rosengard*
This is a required second-year paper for students in the MPA/ID program, aimed at integrating course work by applying analytic tools to policy and institutional problems to produce practical recommendations and advice on implementation for policy makers. Students will work with seminar leaders, faculty advisors, and (sometimes) clients to conceptualize policy and institutional problems, analyze relevant information, develop and support recommendations, and advise clients on how to make those recommendations work given the variety of stakeholders and dynamics that operate in the client’s context. This course is required for second-year MPA/ID students and is not open to non MPA/ID students.

**FALL**

**API-105 B Markets and Market Failure with Cases**
Fall, 1.0 Credit
*Jose Gomez-Ibanez*
The first half of the course covers skills for predicting market behavior, including supply and demand and the behavior of firms and consumers. The second half examines the rationale for government intervention in markets, including problems of information, monopoly, externalities, and collective or public goods. API-105 covers similar topics to API-101, but uses case discussions as well as lectures. The A section emphasizes market regulation and economic development applications. The B section emphasizes urban applications. **API-105 is intended as an alternative to API-101 for MPAs and for MPP-UPs; regular MPP1 students can substitute the course for API-101 only with the permission of the API-105 instructor. API-105 may not be taken for credit after having taken API-109 or API-111. Also offered by the Graduate School of Design as GSD-5203A & B.**

**API-109 - Advanced Microeconomics Analysis I**
Fall, 1.0 Credit
*Nolan Miller*
This is the first semester of a rigorous two-semester sequence in advanced microeconomic analysis for MPA/ID students. Topics covered include consumer theory, producer theory, risk and behavior under uncertainty, partial equilibrium, and externalities. Theory is illustrated by relevant applications to international development and other areas. **Prerequisites:** Multivariate calculus and constrained optimization; intermediate microeconomics. **This course is open to non-MPA/ID students only by permission of**
instructor. Students may receive credit for both API-109 and API-101/105 only if API-101/105 is taken first. API-109 and API-111 cannot both be taken for credit.

API-111 - Microeconomic Theory I
Fall, 1.0 Credit
Christopher Avery & Nolan Miller
Focuses on the theory of microeconomic behavior. Covers consumption, behavior toward risk, production, markets, and general equilibrium. Also looks at applications to policy analysis, business decisions, industrial organization, finance, and the legal system. Emphasizes the use of economic theory in analyzing and understanding practical problems. This is a comprehensive course in economic theory designed for doctoral students in all parts of the university. Undergraduates with the appropriate background are welcome, subject to the instructor’s approval. Prerequisites: Multivariate calculus and one course in probability theory; thorough background in microeconomic theory at the intermediate level. Also offered by the Economics Department as Econ. 2020a and by the Business School as HBS-4010. Students may receive credit for both API-111 and API-101/API-105 only if API-101/105 is taken first. API-111 and API-109 cannot both be taken for credit.

API-120 - Advanced Macroeconomics for the Open Economy I
Fall, 1.0 Credit
Jeffrey Frankel
Focuses on the international dimension of macroeconomic policy, particularly monetary, fiscal, and exchange rate policy, and on the determination of the current account balance, national income, and inflation. Special attention is given to developing countries and other small open economies, defined as those for whom prices are determined on world markets. Models of devaluation include those where the price of internationally traded goods in terms of non-traded goods is central. A major overall theme is the implication of increased integration of global financial markets. Another is countries’ choice of monetary regime, especially the degree of exchange rate flexibility and alternative ways that central banks can credibly commit to noninflationary monetary policy. Financial crises in emerging markets will be covered. This course is designed for MPA/ID students and is open to non-MPA/ID students by permission of instructor only.

API-201 C Quantitative Analysis and Empirical Methods
Fall, 1.0 Credit
Erich Muehlegger
Introduces students to concepts and techniques essential to the analysis of public policy issues. Provides an introduction to probability, statistics, and decision analysis emphasizing the ways in which these tools are applied to practical policy questions. Topics include descriptive statistics, basic probability, conditional probability, Bayes’ rule, decision making under uncertainty, expected utility theory, sampling design, statistical inference, and hypothesis testing. The course also provides students an opportunity to become proficient in the use of computer software widely used in analyzing quantitative data. This course is intended as a prelude to API-202. The A section moves more quickly through the material, spends more time on advanced topics, and assumes a greater mathematical facility than is required for the other sections. The A section is recommended, but not required, for students who are planning to take API-302. This course may not be taken for credit with API-205 or 209.

API-217 - Introduction to Applied Econometrics
Fall, 1.0 Credit
Dale Jorgenson
Introduction to methods employed in applied econometrics, including linear regression, instrumental variables, panel data techniques, generalized method of moments, and maximum likelihood. It also includes detailed discussion of papers in applied econometrics and computer exercises using standard econometric packages. Prerequisites: API-209 and 210 or Econ. 2110. Enrollment restricted to PhD candidates in economics, business economics, health policy, public policy, and political economy and government (PEG). Also offered by the Economics Department as Econ. 2120.

API-302 - Analytic Frameworks for Policy
Fall, 1.0 Credit
Richard Zeckhauser
Develops abilities in using analytic frameworks in the formulation and assessment of public policy. It considers a variety of analytic techniques, particularly those directed toward uncertainty and interactive decision problems. It emphasizes the application of techniques to policy analysis, not formal derivations. Students encounter case studies, methodological readings, the computer, a final exam, and challenging problem sets. Prerequisites: An understanding of intermediate-level microeconomic
API-601 B The Responsibilities of Public Action
Fall, 1.0 Credit
Archon Fung
This course is a philosophical examination of the responsibilities of public policy makers in a democracy. The course asks two questions: (1) What should governments do? (2) What should political actors do? The first question requires consideration of public principles that guide good, just, and legitimate public policy. The second question requires consideration of the many and often competing obligations that should guide political actors inside and outside government, particularly when there is disagreement about what is good, just, and legitimate public policy. Discussions and assignments focus on applications of theoretical concepts from scholarly readings in philosophy and political theory to practical issues of public policy and policy maker responsibility. Open to non-MPP1 students by permission of instructor only.

API-901 - Doctoral Research Seminar
Fall, 1.0 Credit
Pepper Culpepper
Examines social science theory, philosophy, and research methods. It includes analysis of process and product for examples of good research across a range of public policy applications. Students develop and present a research proposal for their own topic of interest. This course is required of all first-year PhD candidates in Public Policy (PPOL). Permission of instructor required for other PhD candidates or special students.

STM-110 - Strategic Management for Public Purposes
Fall, 1.0 Credit
Mary Jo Bane & Andy Zelleke
Focuses on strategic management in the public sectors of democratic societies. Critically examines and applies the assumptions, concepts, and tools of the new approaches to solving public problems that are being applied around the world. Important strategic decisions that will be examined in the course include: formulating and articulating a mission and vision; formulating and internalizing in the organization a set of long-term objectives; translating objectives into measures of performance; designing production systems and organizational structures; and shaping organizational culture. Privatization and partnerships will be examined along with public provision as ways of creating public value. Most class meetings are case discussions, supplemented withconceptual materials, exercises, and group work. Cases and other readings are drawn from the United States, other industrialized countries, and developing countries. The course is designed for students with management experience. May not be taken for credit with STM-101. Permission of the instructor required for non-KSG students.

STM-411 - Budgeting and Financial Management
Fall, 1.0 Credit
Linda Bilmes
Budget concepts and techniques are central to the successful operation of government, nonprofit, and for-profit organizations. This rigorous introductory course aims to demystify the budget process. It covers the entire budget process, including budget formulation and execution, program development, cost and revenue estimation, budget strategies and tactics, and budget evaluation. The course will include performance-based budgets, performance measurement, variance analysis, activity-based costing, cost accounting, capital budgeting, and finance. The course will use case discussions, problem sets, online tutorials, and individual and group exercises. Students taking this course may enroll in STM-412, a follow-on course in “applied budgeting” in the spring. Students who complete the course successfully may participate in the STM-411 alumni program. Prerequisite: Students should be familiar with Microsoft Excel. Permission of the instructor required for non-KSG students.

PAL-110 A Political Institutions and Public Policy
Fall, 1.0 Credit
Elaine Kamarck
This is a course about fundamental problems of participation, democratic governance, and conflict in contemporary political systems. It will provide you with an analytical toolkit for understanding and acting on the political dimensions of policy problems. The A and B sections consider these questions primarily through the prism of American political institutions and the context they create for policy making. The C and D sections look at systematic variations across different sorts of political institutions in both advanced and developing democracies, as well as in countries that are not democracies. The class develops the skills for effective political analysis and advocacy, including memo- and op-ed writing, as well as the skills to brief actors who need to know
everything about the politics of a situation in a short period of time. Required course for MPP1s. Open to non-MPP students only by permission of instructor.

**PAL-110 C Political Institutions and Public Policy**
Fall, 1.0 Credit  
*Pepper Culpepper*

This is a course about fundamental problems of participation, democratic governance, and conflict in contemporary political systems. It will provide you with an analytical toolkit for understanding and acting on the political dimensions of policy problems. The A and B sections consider these questions primarily through the prism of American political institutions and the context they create for policy making. The C and D sections look at systematic variations across different sorts of political institutions in both advanced and developing democracies, as well as in countries that are not democracies. The class develops the skills for effective political analysis and advocacy, including memo- and op-ed writing, as well as the skills to brief actors who need to know everything about the politics of a situation in a short period of time. Required course for MPP1s. Open to non-MPP students only by permission of instructor.

**PAL-115 - The American Presidency**
Fall, 1.0 Credit  
*Roger Porter*

This course analyzes the development and modern practice of presidential leadership in the United States by: (1) examining the evolution of the modern presidency, the process of presidential selection, and the structure of the presidency as an institution; (2) considering the ways in which presidents make decisions and seek to shape foreign, economic, and domestic policy; and (3) exploring the relationship of the presidency with other major government institutions, organized interest groups, the press, and the public. Its primary concern is with the political resources and constraints influencing the president’s ability to provide leadership in the U.S. political system. Also offered by the Department of Government as Gov. 1540. In addition to the regular class meetings, Kennedy School students will meet in an extra session each week.

**PAL-218 - Innovations in Democratic Governance: Solving Public Problems**
Fall, 1.0 Credit  
*Archon Fung*

This course examines a wide array of democratic reform efforts that seek to increase the legitimacy, fairness, and effectiveness of governance in state, civil society, and economy through strategies of participation, deliberation, and transparency. The course asks three main questions: (1) What problems can greater participation helpfully address? (2) What institutional designs and structures organize participation in ways that address those problems? (3) What skills and tools are necessary to craft those institutions? We answer these questions by exploring real-world cases of large- and medium-scale reform in the United States, Canada, India, Latin America, and elsewhere. Reforms range across issues and problems that include public budgeting, community development, health care, environmental protection, neighborhood governance, immigration, and public security. Students are expected to apply lessons about participation and institutional design to a policy, organization, or institution of their own choice in term projects. This course may be used to meet the MPA/ID democratization/governance requirement.

**BGP-100 - The Business-Government Relationship in the United States**
Fall, 1.0 Credit  
*Roger Porter*

This survey course is designed to help students think analytically about the ways in which government and business interact with one another in a mixed economy. It examines: (1) how business and government are organized and how they seek to influence one another; (2) how government policies affect the competitive positions of individual firms and industries and how firms and industries compete to influence such policies; (3) the ways in which government policies affect economic growth and the ways in which governments seek to achieve a variety of noneconomic objectives; and (4) how to define national economic interest in an increasingly integrated global economy. Although the focus is on U.S. business-government relationships, comparisons are made to ways in which government and business interact in other nations.

**BGP-236M - Public Private Partnerships I**
Fall Module 1, .5 Credit  
*Alan Trager*

What makes a complex public policy problem eligible for a multi-stakeholder solution? Solutions often consist of public-private partnerships. Reasons for partnership include financial motivations but also skills-based and capacity-based motivations. This course explores the strategies and tactics officials, both public and private, employ to leverage their resources to create and sustain
public value. Focus questions include: How do public officials make strategic decisions to partner with the private sector? What motivates the private sector to participate as a partner? What tactics are used to market projects to potential partners? How are public-private partnerships negotiated? Who has primary control? Who gets credit for success? How much compromise is appropriate? Perspectives of those who make the deal and those who are held accountable will be considered. Case studies and readings will be used to illustrate the variety of situations and challenges facing public officials and their private sector colleagues.

BGP-237M - Public-Private Partnerships II: Navigating the Intersection of Public and Private Value
Fall Module 2, .5 Credit
Alan Trager
Builds on the theoretical and practical base of BGP-236M by incorporating more complex cases and more skills development: (1) Public-private partnership (PPP) cases will be more complex in terms of their settings and the participation of multiple parties; (2) Partnership issues will be more international than the first module, with an emphasis on cross-border structures and partners with a global perspective; (3) Private sector partners will play a more dominant role; (4) Asset-based partnerships, including those dealing with infrastructure, will be studied in detail; (5) Workshops will be used to focus on the development of practical skills, such as negotiation, finance, and marketing, that are of critical importance to the success of a PPP. Course examines the conditions that are favorable to the creation and management of public-private partnerships. Makes use of case studies and readings to illustrate the variety of situations and challenges facing public officials and their private sector colleagues.

BGP-256 - Management, Finance, and Regulation of Public Infrastructure
Fall, 1.0 Credit
Henry Lee
This course will look at efforts to manage, finance, and regulate the transportation, telecommunication, water, sanitation, and electricity infrastructure systems in developing countries. Issues to be discussed include public-private partnerships, awarding concession contracts, project finance, contract and discretionary regulation, asset valuation, and managing the political context in which infrastructure decisions are made. The course will rely on case material taken from infrastructure programs in developing countries, including Brazil, Mexico, Thailand, Laos, Argentina, Philippines, Uganda, Madagascar, and India, as well as key developed countries, including the United Kingdom and Australia.

HCP-382 - Health Policy Reform: Comparative Perspective
Fall, 1.0 Credit
Mary Ruggie
As countries struggle to reform their health care systems, they are confronting the fundamental tension between controlling costs and maintaining or improving quality and equality in health care provision. This course focuses on selected industrialized countries (Canada, Britain, Germany, France) whose health policies have informed initiatives in the United States. At the same time, these countries have borrowed ideas from the United States. We first ground analysis of each country within the framework of such social policies as Social Security, welfare, and labor markets. Next we explore country-level debates of such issues as funding mechanisms, physician payments, hospitals and technology, and rationing. The course also considers academic debates about, for instance, convergence or divergence across countries. Based on student interest, additional countries or issues will be selected for further consideration, using the analytical tools developed in the course.

PED-153 - Technological Innovation and Development Policy
Fall, 1.0 Credit
Calestous Juma
Examines the role of technological change and institutional innovation in economic transformation, with particular emphasis on developing countries, particularly in sub-Saharan Africa. It focuses on the role of public policy in creating the necessary conditions for the effective use of science and technology in development. It uses the Millennium Development Goals (MDGs) as a reference point as well as evolutionary approaches to analyze the role of technological innovation and institutional change in economic growth. Case studies are used to understand the role of adaptive technological innovations and the associated institutional adjustments. The course reviews the key economic challenges facing developing countries; assesses the available technological opportunities; and outlines the policy and institutional options available to these countries. Students will be graded on a combination of class participation, a policy brief or opinion, and a policy analysis paper.

PED-210 - Public Finance in Theory and Practice
Fall, 1.0 Credit
Jay Rosengard
Examines policy options, with their strategic trade-offs and operational implications, for the design and implementation of public finance in both high-income countries and developing/transitional economies. Covers the role and size of the public sector, including the rationale for public sector interventions such as market failure and distributional concerns; public resource mobilization via direct and indirect taxation (including the economics of taxation, taxation of income, wealth, consumption and trade, tax incentives, tax compliance and enforcement, and tax reform, as well as domestic user charges); public expenditure policy, including assessment of government social protection programs and public sector efficiency and effectiveness; fiscal balance and deficit financing; and fiscal decentralization and intergovernmental fiscal relations. Emphasizes utilization of theoretical and applied techniques in a comparative context for evaluation of the impact of alternative resource mobilization and expenditure policies on allocative efficiency, social equity, and macroeconomic stability. Heavy use of case studies. No economics course prerequisites.

**STP-291 - Science, Power and Politics I**  
Fall, 1.0 Credit  
*Sheila Jasanoff*

Taken with STP-292, this is the fall semester of a yearlong seminar that introduces students to the major contributions of the field of science and technology studies (STS) to the understanding of politics and policy making in democratic societies. The objective throughout is to deepen students’ understanding of the ways in which science and technology participate in the creation of social and political order. The fall semester (STP-291) is devoted to reading and analyzing works by scholars in STS and related fields who have addressed such topics as the nature and role of scientific authority, science’s relations with the state, science and democracy, scientific and technical controversies, and the politics of technology. The spring semester (STP-292) is structured as an advanced research seminar. Students will be expected to complete a major piece of writing and present it in class.

**SPRING**

**API-102 B Economic Analysis of Public Policy**  
Spring, 1.0 Credit  
*Robert Lawrence, Brigitte Madrian & Monica Singhal*

This course builds upon the foundation of API-101 and develops microeconomic tools of analysis for policy problems, with an emphasis on benefit-cost analysis, cost-effectiveness analysis, distributional analysis, incentive effects of government policies, and economic analysis in international contexts. Areas of application include education, energy, environment, health, international trade, safety, taxation, transportation, and welfare. Section A assumes the ability to use calculus. Sections B, C, and D are identical, as each section is taught by all three faculty members. Prerequisite: API-101 or equivalent. Students may receive credit for both API-102 and API-110 or API-112 only if API-102 is taken first.

**API-112 - Microeconomic Theory II**  
Spring, 1.0 Credit  
*Christopher Avery & Nolan Miller*

A continuation of API-111. Covers game theory, bargaining and welfare economics, and incentive theory. This is a comprehensive course in economic theory designed for doctoral students in all parts of the university. Undergraduates with the appropriate background are welcome, subject to the instructor’s approval. Prerequisites: API-111 or Econ. 2010a; multivariate calculus; and one course in probability theory. Also offered by the Economics Department as Econ. 2020b and by the Business School as HBS-4011. API-112 and API-110 cannot both be taken for credit. Students may receive credit for API-112 and API-102 or API-303 only if API-102 or API-303 is taken first.

**API-119 - Advanced Macroeconomics for the Open Economy II**  
Spring, 1.0 Credit  
*Federico Sturzenegger*

This is an advanced course in macroeconomics at the graduate level. Begins with a presentation of the main two macroeconomic models, the “representative agent model” and the “overlapping generations model,” which serve as the basic tools in the field. Next applies these two models to study several key macroeconomic issues, such as economic growth, consumption, investment, and output fluctuations, as well as fiscal and monetary policy. Prerequisites: Multivariate calculus and constrained static and dynamic optimization; differential equations; and intermediate macroeconomics. This course is open to non-MPA/ID students only by permission of the instructor. May not be taken for credit with API-121 unless API-119 is taken after API-121.

**API-218 - Applied Econometrics**  
Spring, 1.0 Credit
Dale Jorgenson
Advanced methods in applied econometrics, including nonlinear regression, discrete and limited dependent variables, models of selection, and stationary and nonstationary time series. Includes detailed discussion of empirical applications. Students complete a short research project in applied econometrics. Prerequisite: Economics 2120 or equivalent. Also offered by the Economics Department as Econ. 2130.

API-304 - Judgment and Decision Making
Spring, 1.0 Credit
Iris Bohnet & Jennifer Lerner
Decision science focuses on understanding and improving the judgment and decision making of individuals, groups, and organizations. This course — an introduction to decision science — draws primarily on economics and psychology, examining the interplay between how people “should” make decisions and how people actually do. Through a combination of interactive exercises and analysis of relevant literature, students will learn to analyze the ways decisions are made and to improve their own judgments and decisions. Students will also learn ways to ground public policies and leadership plans in realistic assumptions about human nature. Some of the questions we will address include: Why are decision makers often overconfident? Why are they less willing to trust than to take an equivalently risky bet? Is it true that emotions corrupt, while cognitions clarify our thinking? In keeping with the interdisciplinary nature of the field, this course will be co-taught by professors from distinct disciplines: economics and psychology.

API-500X - Spring Exercise
Spring, .5 Credit
Sheila Burke & John Donahue
Taken by all MPP1 students, this two-week, concentrated, integrative course will engage students in a practical policy exercise, which will draw upon knowledge gained from the core courses. Students will be grouped into small teams and given a specific policy problem. These teams will be expected to prepare products (memoranda, briefings, and presentations, both oral and written) of professional quality. The core faculty will assist in advising each of the teams. The exercise is meant to provide a realistic experience and will involve outside experts, in addition to the faculty, who will lecture on the policy topic as well as assist in judging the final products. The Spring Exercise will be held during the last two weeks of the spring semester. All other MPP1 courses will be suspended during this two-week period. This course is not open to non-MPP1 students.

API-902 - Doctoral Research Seminar
Spring, 1.0 Credit
David Lazer & Richard Zeckhauser
This is the follow-up seminar to API-901.

STM-101 C The Strategic Management of Public Organizations
Spring, 1.0 Credit
John Donahue
This course introduces students to analytic techniques useful for policy/program implementation and for managing organizational performance. “Strategic management” involves the definition of public purpose and public value, mobilizing support for public purposes, and organizing and deploying the operational capacity to deliver, manage, and assess performance. The course includes material on strategic analysis, performance measurement and management, organizational structure and networks, operations and process management, and organizational learning and change. This is a survey course, which also prepares students for higher-level courses in management. The sections of the course share a common core but differ in emphasis somewhat in terms of content and teaching style. Students will be given descriptions of section differences and will have the opportunity to express a preference for a section. Open to MPP1s only. May not be taken for credit with STM-110.

STM-112 - Strategic Management of Regulatory and Enforcement Agencies
Spring, 1.0 Credit
Malcolm Sparrow
Considers the distinctive strategic and managerial challenges that surround government’s regulatory functions (as distinct from government’s service provision functions). The course focuses on social regulation rather than on economic regulation and on the management of regulatory agencies rather than on the reform of law. Case studies and lectures will range across multiple regulatory fields, including: policing, environmental protection, occupational health and safety, taxation, customs administration,
fraud control, terrorism, and corruption. Current models for “reinvention” (such as those oriented around customer service and process improvement) will be examined in light of the regulatory task. Major sections of the course will examine: strategic management; the role of enforcement; emerging compliance strategies; organizational structure; performance measurement; and information and analytic support. No prerequisites, but the course will assume some knowledge of strategic public management and, therefore, will build naturally upon STM-101 or STM-110.

**STM-161M - The Executive Branch of Government**

*Spring Module 3, .5 Credit*

*Linda Bilmes*

Do you want to understand the U.S. federal government? This is an intensive review of how the executive branch of government works, including the history of the executive branch, the federal budget, procurement and personnel system, facilities, administrative law, performance-based organizations, classified documents, homeland security, the decennial census, and technology. The course addresses the larger issues of accountability, effectiveness, and reform in the government. Students will examine various aspects of the executive branch — both systems and case studies — that will enable them to work successfully with or in the federal government. The course includes practical exercises, role playing, guest speakers, and case studies.

**STM-221 D Introduction to Negotiation Analysis**

*Spring, 1.0 Credit*

*Andy Zelleke*

Introduces students to the theory and practice of negotiation. The ability to successfully negotiate rests on a combination of analytical and interpersonal skills. Analysis is important because negotiators cannot develop promising strategies without a deep understanding of the context of the situation, the interests of the other parties, and the range of possible moves and countermoves. Interpersonal skills are important because negotiation is essentially a process of communication, trust building (or breaking), and mutual persuasion. This course will develop a set of conceptual frameworks that should help students analyze future negotiation situations and prepare more effectively. Through participation in negotiation simulations, students will have the opportunity to exercise powers of communication and persuasion and to experiment with a variety of negotiation tactics and strategies. Students must be available Tuesday from 4 p.m.–6 p.m. to participate in group exercises. STM-221 must be used as the prerequisite for the January course STM-230, Advanced Workshop in Multiparty Negotiation and Conflict Resolution. STM-221 and HLS-4410021, the Winter Negotiation Workshop, may not both be taken for credit.

**STM-400 - Financial Control in Nonprofit and Public Organizations**

*Spring, 1.0 Credit*

*Malcolm Sparrow*

For students who understand the importance of sound financial management in public or not-for-profit institutions but lack any formal training in this area. The course demystifies financial terminology and teaches the basics of financial accounting and managerial control. The first half of the course provides hands-on experience with numbers as students learn cash and accrual accounting methods and conventions. The second half explores the connections between financial control systems and managerial purposes, enabling students to understand what different reporting, cost accounting, and modeling systems can and cannot do for them. Topics include: cash and accrual accounting, financial statement analysis, fixed and variable costs, direct and indirect costs, cost accounting, activity-based costing, modeling, endowment management, and fraud control. No prerequisites, but students will be expected to begin working through Anthony and Pearlman’s Essentials of Accounting (9th Edition) prior to the first class. Exercises will require use of Excel. Not open to undergraduates.

**STM-412 - Advanced Applied Budgeting**

*Spring, 1.0 Credit*

*Linda Bilmes & Susan Dynarski*

This course will enable students to work on the actual budgets and pension funds of local municipalities and school districts in the areas of cost accounting, activity budgeting, and performance budgeting. Prerequisite: STM-411, API-141, STM-401M, or Graduate School of Education A029, or permission of the instructor.

**STM-504 - Building Organizational Social Capital: Informal Networks Within & Between Organizations**

*Spring, 1.0 Credit*

*David Lazer*

How does the informal set of connections within and among organizations (“organizational social capital”) affect how organizations function and perform? There has been enormous attention in recent years on the role that informal networks play in the success of individuals — witness the rise of online services such as LinkedIn, Facebook, and other social networking sites.
There has also been an increased awareness that public value is coproduced by public and private actors and that the system’s effectiveness at producing public value depends on how those actors are connected. The objective of this course is threefold: (1) to master key ideas regarding organizational social capital. Why do informal networks matter? When do they matter? (2) to provide a set of diagnostic tools to examine the structure of a network. Who talks with whom? Are the people who should be talking to each other actually talking to each other? (3) to distill this research into a set of actionable tools for managers. What policies encourage an effective informal network to emerge in an organization? How do we use existing networks to catalyze collaboration within an organization and/or among organizations?

PAL-110 D Political Institutions and Public Policy
Spring, 1.0 Credit
Anthony Saich
This is a course about fundamental problems of participation, democratic governance, and conflict in contemporary political systems. It will provide you with an analytical toolkit for understanding and acting on the political dimensions of policy problems. The A and B sections consider these questions primarily through the prism of American political institutions and the context they create for policy making. The C and D sections look at systematic variations across different sorts of political institutions in both advanced and developing democracies, as well as in countries that are not democracies. The class develops the skills for effective political analysis and advocacy, including memo- and op-ed writing, as well as the skills to brief actors who need to know everything about the politics of a situation in a short period of time. Required course for MPP1s. Open to non-MPP students only by permission of instructor.

PAL-222 - Presidential Elections
Spring, 1.0 Credit
Elaine Kamarck
Covers contemporary history and political science on the American presidential nomination and election process. Begins with the history of the presidential nomination process and the reform movement that transformed that process from one dominated by political elites to a process dominated by partisan voters. Then turns to the general election process and looks at the history and structure of the Electoral College and how it has shaped the evolution of political parties and presidential contests in the United States. The course contains readings on the most important presidential elections in modern American history as well as discussions of the major debates that have shaped the American electoral system. In addition, students will be asked to keep up to date on the 2008 presidential election and to integrate current events into the history and political science readings in the course.

BGP-201 - Industry Structure, Strategy, and Public Policy
Spring, 1.0 Credit
F.M. Scherer
Provides a systematic economic and historical framework for evaluating industrial policies such as agricultural crop price supports, international dumping and subsidy rules, energy policy, technology policy, competition policy (antitrust), and public regulation. It proceeds through a series of 10 industry case studies, in order: agriculture, crude petroleum, petroleum refining, steel, integrated circuits, computers, the Internet, automobiles, pharmaceuticals (domestic and international), and beer. Grading will be on the basis of two short “policy papers” and a final examination. A longer industry study can be substituted for the final exam.

BGP-272 - Seminar: Current Issues in U.S. Financial Market Regulation
Spring, 1.0 Credit
Robert Glauber & Thomas Healey
For advanced students interested in exploring in depth some of the most pressing issues in U.S. financial market and institution regulation. The seminar begins with a discussion of the objectives of financial regulation and then explores the identification of issues and implementation of solutions concerning problems such as Social Security solvency; potential risks posed by government-sponsored enterprises; regulation of hedge funds; regulation of derivatives; solvency and accounting in the U.S. pension system; modernizing bank capital regulation; rebuilding confidence in mutual funds; the roles of the Federal bank, the controller of the currency, the states, and BIS in bank regulation; equity market structure; and dealing with financial bubbles. A substantial amount of independent reading and preparation as well as significant class participation are expected. Prerequisite: Students will be expected to demonstrate course work or equivalent corporate finance and macroeconomics as a prerequisite for selection to the seminar.

BGP-405 - On the "Balcony of History?" The European Union in the 21st Century
Spring, 1.0 Credit
Criticizing the European Union (EU) has recently become fashionable, and not just in neoconservative circles, in the United States. One hears that the EU is past its prime; stifled by outdated and inflexible bureaucracies; and incapable of innovation, passing a constitution, or even defending itself. At the same time, the EU has completed its transition to a common currency and completed the biggest enlargement in its history, adding Romania and Bulgaria in 2007. This course aims to make sense of these seemingly conflicting developments and the dynamic they reflect. Looking not just at interest rates (economics) and directives (law), but also at underlying ideals and values, we will examine the EU’s institutional setup, its core policies, and its place on the international stage as the largest common market and most successful supranational setup in the world.

**BGP-460 - Asia in the World Economy**

Spring, 1.0 Credit  
**Dennis Encarnation**

The course is divided into three sections. The first, “Macro Perspectives,” examines Asia’s relative position in the world economy, from the perspective of different geographies (cities, nations, regions) and institutions (businesses, governments). Here we are interested in analyzing comparative trends in the localization, regionalization, and globalization of Asia’s input (capital, labor, land, technology) and output (goods, services) markets. The second and longest section, “Industry Perspectives,” examines pan-regional trends across critical sectors: energy (supply, demand), manufacturing (textiles, electronics, autos, aerospace), and services (financial, IT, BPO, real estate). Here we are interested in exploring how corporations and governments shape, and are shaped by, the forces of localization, regionalization, and globalization. The course concludes in its third and final section, “Future Opportunities and Risks,” with an examination of the economic, political, and security challenges to Asian competitiveness. Here we are interested in exploring Asia’s future position in the world economy.

**ENR-201 - Environmental and Resource Economics and Policy**

Spring, 1.0 Credit  
**Robert Stavins**

Provides a survey, from the perspective of economics, of public policy issues associated with environmental protection and natural resources management. Lectures on conceptual and methodological topics are combined with examinations of specific resource and environmental issues. Prerequisite: Introductory microeconomics. Also offered by the Department of Economics as Econ. 1661.


Spring, 1.0 Credit  
**John Holdren & Henry Lee**

Energy is a critical component of every dimension of human society. It is an essential input for economic development, transportation, and agriculture, and it plays an enormous role in environmental problems and solutions, in national security issues, and in science and technology policy. The course discusses the technological, economic, and policy dimensions of the energy choices needed to meet economic and environmental goals in both the near and long term. Electricity-infrastructure policy, energy-supply and end use–efficiency options, environmental impacts, and strategic energy policies will all be covered. The primary focus of the course will be international, but there will be some discussion of U.S. domestic programs and policies.

**HCP-103M - HIV/AIDS and Public Policy**

Spring Module 4, .5 Credit  
**Joan Kaufman**

The HIV/AIDS epidemic is undermining hard-won development gains in many countries. Much has been learned about how to prevent, treat, and mitigate the social and economic impacts of AIDS for families and communities. However, the global AIDS epidemic continues to expand. This course focuses on the public policies required to address the AIDS epidemic. Students will be introduced to key perspectives to frame the HIV/AIDS epidemic from a policy perspective, including socioeconomic, gender, and human rights perspectives. Lessons from the international experience in responding to the epidemic, needed sector-based actions, and sectoral coordination for interventions to be effective will be reviewed. The course will discuss public-private partnerships, workplace policies and programs, and the role of NGOs and the media in the AIDS response; it will review approaches for multi-sectoral strategic planning and coordination/collaboration.
HLE-222 - Economics of Labor Market Policies
Spring, 1.0 Credit
Brigitte Madrian
This course focuses on the role of public policy and government regulation in the labor market using the tools of applied economics. The overarching theme of the course will be to consider how public policies influence labor market outcomes such as employment, wages, and the distribution of income. Examines the impact on labor market outcomes of public policies such as: social welfare programs, taxation, discrimination and affirmative action laws, immigration reform, minimum wage and living wage laws, mandated employer benefits such as health insurance and parental leave, unemployment insurance, temporary worker and other forms of employment protection legislation, human capital programs such as education and job training, and labor unions. Prerequisite: API-101 or the equivalent.

HUT-251 - Transportation Policy and Planning
Spring, 1.0 Credit
Jose Gomez-Ibanez
Provides an overview of the issues involved in transportation policy and planning, as well as an introduction to the skills necessary for solving the various analytic and managerial problems that are peculiar to this area. The course is organized around seven problems: (1) analyzing the market for a service; (2) costing and pricing; (3) operation management; (4) controlling congestion and pollution; (5) transport and land use; (6) investment evaluation; and (7) the regulation of private carriers. Examples are drawn from both urban and inter-city passenger and freight transportation. One-quarter of the classes are lectures, and three-quarters are case discussions. Prerequisite: Microeconomics at the level of API-101 or API-105 is assumed. Also offered by the Graduate School of Design as GSD-5302.

ISP-103 - Global Governance
Spring, 1.0 Credit
John Ruggie
This course focuses on the interplay among states, international organizations (such as the UN, WTO, IMF, and World Bank), multinational corporations, civil society organizations, and activist networks in making “public policy” at the global level. Cases are drawn from a broad range of issue areas, including peace and security, economic relations, human rights, and the environment. The objective is to better understand the evolution of global governance arrangements and what difference they make. Also offered by the Law School as HLS-37850A.

ITF-220 - Economics of International Financial Policy
Spring, 1.0 Credit
Jeffrey Frankel
This course deals with international monetary economics, or the macroeconomics of open economies. The emphasis will be on models appropriate to major countries. Topics covered include the foreign exchange market, devaluation, and import and export elasticities; the simultaneous determination of the trade balance, national income, the balance of payments, money flows, and price levels; capital flows and our increasingly integrated financial markets; monetary and fiscal policy in open economies; international macroeconomic interdependence and policy coordination; supply relationships and nominal anchors for monetary policy; the determination of exchange rates in international money markets; and international portfolio diversification. Prerequisites: Microeconomics at the level of API-101 and macroeconomics at the level of API-121. Also offered by the Economics Department as Econ. 1531. May not be taken for credit with Econ. 1530.

ITF-346 - The Policy Challenges of Globalization: International Financial Integration
Spring, 1.0 Credit
Frederico Sturzenegger
This is an advanced seminar for students who want to develop an in-depth understanding of the implications and policy challenges posed by financial integration both for developed and developing countries. The objective is to build expertise and facility with the major economic models used to examine these issues. Readings and discussions will focus on a number of key areas: the problem of global imbalances, quantifying the benefits of financial integration, understanding the determinants of equilibrium real exchange rates, dealing with currency crises, evaluating the choice of exchange rate regimes and monetary policy, inflation stabilization, and sovereign debt and defaults. Students will be divided in groups that will be asked to write four technical reports throughout the semester and to make short presentations of papers in class. Prerequisites: Advanced macroeconomic theory (at the level of API-119/120) and econometrics (at the level of API-202A or API-210).
PED-202 - The Management of Development Assistance Projects
Spring, 1.0 Credit
The project approach continues to be one of the principal means of providing technical assistance to promote development in Third World countries. Projects often under perform and frequently fail. The challenges are to “get something moving” and sustained. The course distills more than 20 years of project management experience by the instructor, principally in Africa. Cases are discussed from the nonprofit and public sectors in the areas of education, health, civil service, agriculture, and infrastructure. A baseline project is also presented (the Ethiopian financial reform), which is in its eleventh year and is managed by the instructor. Specific topics covered include: the foreign aid environment, design and deliverables, strategy and tactics, recruitment and management of professional staff, the project cycle, donor/lender management, management techniques (log frames, responsibility matrices, evaluation), typical crises and how to manage them (corruption, stakeholder, and staff turnover), institutionalizing, and exit.

PED-203M - The Basics of Public Financial Management
Spring Module 3, .5 Credit
Stephen Peterson
Provides the analytic tools needed to understand the fundamentals of public sector budgets and accounts and assess the quality and sustainability of a country’s financial position. Experience from a variety of developed and developing countries is used. The structure of financial systems, which is established by the budget classification and chart of accounts, is presented as is their international standards. The core of the course is how to analyze budgets and public financial statements in terms of composition of expenditure and sustainability given their sources of finance. The techniques of double-entry bookkeeping are practiced, and the four bases of accounting (cash, modified cash, modified accrual, and accrual) are presented. International standards (IFAC) of financial reporting for cash and accrual accounting are reviewed, as are how budgets are costed and how to move from cost-(input) to price-(output) based budgeting.

PED-205M - Beyond the Basics of Public Financial Management
Spring Module 4, .5 Credit
Stephen Peterson
Practical approaches to moving beyond the basics of public financial management (incremental line-item budgeting) to more sophisticated techniques of longer-term budget planning and aggregate/performance budgeting. Legislative oversight and the legal framework within which financial management operates (annual appropriations, organic budget laws, fiscal responsibility acts). Techniques of assessing public financial management systems are discussed using international standards (IMF Code of Fiscal Transparency, Public Expenditure Financial Accountability — PEFA). International Best Practice recommends Integrated Financial Management Information Systems (IFMISs), and the features and impacts of these systems are critically assessed. Experience from a broad range of developed and developing countries is used to present these topics. Many developed countries are introducing these advanced financial techniques, and developing countries are often required as a conditionality of foreign aid to adopt them (often with little success).

PED-312 - The Political Economy of Transition in China
Spring, 1.0 Credit
Anthony Saich
China’s incremental reforms have been compared favorably as a transition strategy with the “shock therapy” attempted in Eastern Europe and Russia. Reality is more complex, progress is mixed, and the country is now facing major challenges from delayed reforms, especially in the industrial and financial sectors. How are the state’s priorities set? Relevant theories on socioeconomic development and transitions will be analyzed through a detailed study of the policy making process in China. China provides an interesting empirical testing ground for comparative theory, as it has moved from a statist model of development to one that makes greater use of market forces within an authoritarian political structure. The course first evaluates China’s evolving development strategies. Second, it analyzes the politics of the current transition, with detailed discussion of economic and social policy formulation and implementation.

STP-292 - Science, Power, and Politics II
Spring, 1.0 Credit
Sheila Jasanoff
This is the second semester of a two-semester graduate seminar. The bulk of the semester will be devoted to reading and critically analyzing papers written by the seminar participants. Students are expected to do original research and to analyze it using the conceptual tools they acquired in STP-291 (or its equivalent).
STP-307 - Information Technology, Policy, and the Future of Governance
Spring, 1.0 Credit
Viktor Mayer-Schoenberger
The dot-com and telecom bubbles have burst, yet the Internet is still thriving. Web 2.0 is taking off. By the same token, regulatory policies (such as intellectual property, information security, and data privacy) may need much more than just an evolutionary adjustment. Overall, information (and control over it) has become a more visible source of power. And unlike the speed of technological change, we have made little progress in debating the larger policy implications: from security and the delivery of e-government services to online democracy and the future of governance. Building on numerous case studies, this course offers a framework to analyze the options and challenges posed by modern information and communication technologies and examines strategic options decision makers in both the public and private sectors may want to add to their policy toolkit.

STP-321 - Bioethics, Law, and the Life Sciences
Spring, 1.0 Credit
Sheila Jasanoff
Developments in biotechnology and the life sciences have thrown into question existing policy approaches and instruments dealing with intellectual property, reproduction, health, informed consent, and privacy. They are reconstituting concepts of the self and its boundaries, kinship, and legal rights and obligations of people in relation to their governing institutions. Through reading primary materials and relevant secondary literatures, this course seeks to identify and explore salient ethical, legal, and policy issues — and possible solutions — associated with these developments. Also offered by the History of Science Department as Hist. Sci. 253.