

Course Title	:	Principles of Public Policy
Course Code	:	ECO3208
Recommended Study Year	:	3 and 4
No. of Credits/Term	:	3
Mode of Tuition	:	Lecture-Tutorial
Class Contact Hours	:	3 hours per week
Category in Major Prog.	:	Major in Economics (Elective Course), SPPS Major (Required Elective)
Discipline	:	Economics
Prerequisite(s)	:	(a) ECO2101 Introduction to Economics, or (b) ECO2104 Introduction to Microeconomics and ECO2105 Introduction to Macroeconomics (c) BUS2105 Microeconomics for Business
Co-requisite(s)	:	N/A
Exclusion(s)	:	N/A
Exemption	:	N/A
Requirement(s)		

Brief Course Description

This course defines the public interest and outlines the fundamentals of public policy design and analysis that is predicated on this definition of the public interest. The analytical framework follows the multidisciplinary approach and is based on the postulate of maximising welfare. A basic premise is that policies should be grounded on cost and benefit comparisons if they are to improve social welfare. The roles of information cost, risks, and the constraint of human nature in public policy design are fully recognized. This course also explored why markets fail and how public policies may be used to alleviate the cost of failure.

Aims

Students will learn practical tools of assessing the efficiency of policy design and how to apply some basic principles to different policy areas. It examines various criteria for making good public policies.

Learning Outcomes (LOs)

Upon completion of this course, successful students should be able to:

1. demonstrate an understanding of public interest and the roles of the market and those of the government in society;
2. assess the quality of policy and describe what constitutes a good policy;

3. evaluate different policy initiatives and make improvements to existing policy initiatives and communicate orally or in prose policy ideas
4. exhibit an understanding of the need for risk management both at the micro and at the macro levels and design policies to achieve risk management; and
5. demonstrate a concern for the welfare of the people in Hong Kong, in China, and around the world.

Indicative Contents

- I. Introduction
An overview of government's responsibilities and the meaning of public interest. Alternative meanings of democracy and the effectiveness of government. The Kaldor criterion, the Hicks criterion, and the Representative Individual criterion for public policy evaluation.
- II. What makes good public policy
Hierarchy of policy objectives. Addressing key public concerns. Addressing perception problems, the human nature constraint, and cultural constraint. Feasibility over short run and long run. The representative individual approach to Cost Benefit Analysis.
- III. Human nature and public policy
Human needs and human propensities. Mental goods and bads versus physical goods and bads. Perception and behavior.
- IV. Institutional policy and policies within given institutions
Open and close institutions and institutional evolution. Institutional choice as social choice. Situational justice, fundamental justice, and incremental fundamental justice. Justice and rationality. Applications of concepts of justice.
- V. Health care delivery and financing
Application of the theory to the healthcare reform debate.
- VI. The rule of law, Tort law reform, and legal aid
Application of the theory to the law reform debate.
- VII. Bank Runs and bank deposit insurance
Application of the theory to banking, depositor behavior, bankers' behavior, and systematic risks.
- VIII. Public pension plans
Application of the theory to public pension plans.

- IX. Government or market?
Application of the theory to the government versus market debate.
- X. Education and cultural policy
Application of the theory to education and cultural policy.
- XI. Taxes, social safety net and redistribution
Application of the theory to social safety nets, and to tax and transfers.
- XII. Economic ecology: The case of the Great Depression of the nineteen thirties
Applying the systems perspective: macro policy as an example.
- XIII. Economic Ecology: The Case of Hong Kong
Applying the systems perspective: the great recession of 1998 in Hong Kong.
- XIV. Conclusions
Applying the theory to millennium concerns. Globalization, the technological challenge, environmental concerns and global warming, hunger and poverty, and peace and security

Teaching Method

Lectures, classroom discussions and tutorial discussions. Students are often asked to respond to questions and are then guided to consider what may have been overlooked. The course is interactive with plenty of references to actual policies practiced in different jurisdictions.

Measurement of Learning Outcomes

1. A mid-term test is designed to assess students' comprehension and applications of the concepts introduced in the course (LOs 1-4).
2. Students are required to write a term paper/project to indicate how well students understand and apply the concepts and theories introduced in the course to evaluate the policy by themselves. (LOs 1-5)
3. A final examination is designed to assess students' overall understanding of the key concepts introduced in the course. Students are expected to apply these concepts to the real world. (LOs 1-4)

Assessment

Continuous assessment	:	50%	
		(mid-term test	– 30%,

	tutorial discussion and participation	–10%,
	joint project/term paper*	–10%)
Final examination	:	50%

* Assessment is based on an essay developed either from service-learning or otherwise under the supervision of the instructor. A whole range of public policy issues about may be analysed including housing, healthcare, social security, industrial safety, environmental protection, land use, resource reservation, poverty, education, public governance, corruption, law, etc.

Good Practices

- A discussion page is set up on Moodle and students are encouraged to use it as a platform to discuss with the instructors and amongst themselves regarding the test and assignment results.
- A mid-term teaching and course evaluation is conducted to obtain feedback.
- Emailed questions on the course content will be answered within 1-2 days.

Required/ Essential Reading

Harvey, S Rosen and Ted Gayer. Public Finance, McGraw-Hill, most recent edition.

Recommended/ Supplementary Readings

Stiglitz, Joseph E., Economics of the Public Sector, WW Norton and Co., most recent edition.

Important Notes:

- Students are expected to spend a total of 9 hours (i.e. 3 hours of class contact and 6 hours of personal study) per week to achieve the course learning outcomes.
- Students shall be aware of the University regulations about dishonest practice in course work, tests and examinations, and the possible consequences as stipulated in the Regulations Governing University Examinations. In particular, plagiarism, being a kind of dishonest practice, is “the presentation of another person’s work without proper acknowledgement of the source, including exact phrases, or summarised ideas, or even footnotes/citations, whether protected by copyright or not, as the student’s own work”. Students are required to strictly follow university regulations governing academic integrity and honesty.
- Students are required to submit writing assignment(s) using Turnitin.
- To enhance students’ understanding of plagiarism, a mini-course “Online Tutorial on Plagiarism Awareness” is available on <https://pla.ln.edu.hk/>.
- Students must adhere to the University’s guidelines and practices when using Generative Artificial Intelligence (AI) tools. The official documents “Guidelines for Using GAI Tools at Lingnan University” and “Best Practices for Ethical and Responsible Use of GAI Tools in Course Assessments” can be found here: <https://www.ln.edu.hk/tlc/generative-artificial-intelligence/gai-guidelines-best-practices>.

Assessment Rubrics

Tutorial Discussion and Participation Assessment Rubric

Level of Performance	Points	Criteria
Excellent	8-10%	Debating skills - Addresses the <u>central issue and complexities</u> of the debate - <u>Arguments</u> are clear, strong and <u>persuasive</u> with solid reasoning and adequate relevant examples and facts - <u>Critiques</u> underlying assumptions and strategies in <u>opposing arguments</u> Quality of comment - Timely and appropriate comments, <u>thoughtful and reflective</u>, responds respectfully to other student's remarks, <u>provokes questions and comments</u> Resource/Document Reference - <u>Clear reference</u> to any texts being discussed and <u>connects</u> to other texts or reference points from previous readings and discussions Active Listening - <u>Posture</u>, demeanor and behavior clearly <u>demonstrate respect</u> and <u>attentiveness</u> to others
Good	5-7%	Debating skills - Addresses <u>obvious issues</u> of the debate, but <u>misses complexities</u> and nuances - Consistently delivers complete arguments though some reasoning and <u>evidence may be weak or insufficient</u> - identifies some relevant counter-arguments Quality of comment - <u>Volunteers comments</u>, most are <u>relevant</u> and reflect some <u>thoughtfulness</u>; may or may not lead to other questions from students Resource/Document Reference - Has <u>done</u> any required reading with some thoroughness; may <u>lack some detail or critical insight</u> Active Listening - Listens to others most of the time; <u>may not stay focused</u> on other's comments or loses continuity of discussion

Level of Performance	Points	Criteria
Poor	0-4%	Debating skills - <u>Demonstrates misconception or incomplete understanding</u> of the important issues or themes of the debate - Arguments are not clear and convincing <u>with little reasoning or inadequate examples</u> and facts - Fails to identify relevant <u>counter-arguments</u> Quality of comment - Does not participate or occasionally participates and <u>offers a comment when directly questioned</u>, may simply restate questions or points previously raised, may <u>add nothing new</u> to the discussion or provoke no responses or question Resource/Document Reference - <u>Unable to refer</u> to any texts for evidence or support of remarks Active Listening - <u>Disrespectful</u> of others when they are speaking - <u>Ignoring</u> others' remarks

Mid-Term and Final Examination Assessment Rubric

Level of Performance	Marks	Criteria
Very Good – Excellent	16 – 20	Thesis & Focus - Fully addresses the topic and demonstrates a <u>thorough understanding</u> of, and <u>original insight</u> into the important issues in the topic - Skillfully applies a good range of relevant concepts or theories - Connects question to broader issues in theories/concepts and the world Analysis & Argumentation - Thoroughly interprets and evaluates the information; <u>Distinguishes among fact, opinion and value judgments</u> - Comprehensively analyzes the issues from <u>multiple perspectives</u> - Evaluates <u>implications and complications</u> or responds to <u>counter-arguments</u> Evidence & Support - Evidence/supporting data is very <u>relevant, accurate, complete, well integrated</u> to support the arguments - A <u>wide range</u> of relevant scholarly sources (assigned reading, books, journals, media sources, census data, government reports) is used and assessed analytically and critically - <u>Correct citation</u> of sources; provides <u>detailed</u> and proper <u>footnotes/endnotes</u> Writing & Structure

Level of Performance	Marks	Criteria
		- <u>Excellent organization</u> of various contents - Presents the materials in a <u>cohesive and logical manner</u> - Appropriate <u>paraphrasing</u> and integration with original writings - Minimal <u>spelling, punctuation, and grammatical errors</u>
Fair – Good	8 – 15	Thesis & Focus - Demonstrates a complete understanding of the important issues in the topic/question but may <u>miss some minor themes</u> - Attempts to relate theories/concepts Analysis & Argumentation - Interprets and evaluates information, but may <u>overlook some information</u> - Superficially evaluates <u>obvious alternative points of view</u>, perspectives or dimensions - <u>Makes inferences</u> and comprehends deeper meaning on most occasions Evidence & Support - Provides necessary evidence to convince reader of most aspects of the main argument but not all - Evidence is somehow relevant and accurate, but <u>not well integrated</u> - Some variety of sources are used - <u>Correct citation</u> of sources; provides <u>some details</u> in footnotes/endnotes Writing & Structure - <u>Good organization</u> of various contents - Attempt to present the materials in a <u>cohesive and logical manner</u> - <u>Some paraphrasing</u> and integration with original writings - <u>With few spelling, punctuation, and grammatical errors</u>

Level of Performance	Marks	Criteria
Very Poor – Poor	0-7	Thesis & Focus - Demonstrates <u>misconceptions</u> about the important themes or issues - <u>Fails to connect</u> to theories/concepts or real life Analysis & Argumentation - Demonstrates some basic comprehension of texts/data but <u>does not make connections</u> with the bigger picture - <u>Lists information</u> without justification and connection to the idea - Superficially analyzes or synthesizes the issues - <u>Single perspective</u> only is discussed Evidence & Support - Some evidence but not enough to develop argument in unified way - Evidence may be <u>inaccurate, irrelevant, or inappropriate</u> to support the arguments - Uses only a <u>few or none of the sources</u> provided on the reading list, or does not analyze the sources - <u>Incorrect citation</u> of sources; provides <u>limited or no</u> detail in footnotes/endnotes Writing & Structure - Lacks clarity or does not present ideas in a coherent or analytical manner - Merely <u>copying</u> original writings - <u>Considerable number of spelling, punctuation, and grammatical errors</u>

Assessment Rubrics for joint project and paper

CATE-GORY	Excellent	Good	Satisfactory	Unsatisfactory	POINTS
Research Question	10 points	8 points	6 point	3 points	___/10
	Wrote clear, creative and interesting questions which fit the topic.	Wrote clear questions which fit the topic.	Wrote some questions which did not fit the topic.	Wrote many questions which did not fit the topic.	
Argument	10 points	8 points	6 point	3 points	___/10
	arguments both well supported and genuinely compared to conflicting explanations	main arguments valid, systematic, and well supported	some arguments valid and well supported, some not	weak, invalid, or no argument, perhaps a simple assertion	
Use of	10 points	8 points	6 point	3 points	___/10

CATE- GORY	Excellent	Good	Satisfactory	Unsatisfactory	POINTS
Data or Evidence	fully exploits the richness of the data/evidence/ideas, and is sufficiently persuasive	feasible evidence appropriately selected and not over-interpreted	some appropriate use of evidence but uneven	draws on little or no evidence, mostly relies on assertions or opinions, or evidence not clearly presented	
Organization and Writing	10 points	8 points	6 point	3 points	___/10
	structure enhances the argument, strong sections and seamless flow. Virtually no English error.	structure supports the argument, clearly ordered sections fit together well. Some minor English errors.	structure is of inconsistent quality, may have redundancies or disconnections. Frequent English errors.	needs significant reorganization. English errors significantly impair Readability.	
TOTAL POINTS					___/40