Goals: As government at all levels have been called upon in the past half century to expand their roles in the social and economic life of the nation, they have been challenged to develop programs and services that go well beyond their own capacities, resources and legitimacy. Accordingly, policymakers and agencies have adopted a wide range of tools which distribute responsibility and authority for financing and results across a variety of independent third parties, including state and local governments, nonprofits and private companies. The modern government program now deploys a wide range of more indirect governance tools, including grants, contracts, credit, insurance, and regulations to leverage the participation and compliance of these sovereign “partners”. The model of a hierarchical organization that controls the policy formulation, financing and implementation of programs has largely been cast aside in the last half century of governmental change in the world of practice.

As challenging as managing public programs in large organizations is, managing across boundaries is an order of magnitude more difficult because the policymaker and administrator not only has to marshal the support of their own organization, but also find ways to incentivize, stimulate, cajole, enable, or perhaps even mandate participation by independent third parties who answer to different constituencies and subscribe to widely different priorities and values. Put simply, succeeding in these collaborative management environments requires different skills and disciplines than those with more traditional environments. This new environment entails a shift from management and control skills to “enablement skills” required to engage multiple partners in collaborative governance projects and programs. It also requires shifting the unit of analysis for public administration and policy from organization to tool and networks.
The primary purpose of this course is to acquaint students with the implications of these developments for public administration. The course will complement the Introduction to Public Administration, PUAD 502, by emphasizing the unique environments, models and skills required to understand and operate in a world of practice characterized by many as “third party governance”. Specifically, the course focuses on the networks and the tools used by governments to achieve objectives involving implementers from other governments and sectors of the economy. Principal tools examined are grants, regulation, credit, tax expenditures and privatization. Students will be encouraged to think about the implications of the choice and design of tools for particular policy cases or issues.

APPROACHES: General lectures will be presented by the instructor to orient students to the broad literatures on federal tools and roles. Significant student participation will be encouraged during these lectures. More specific opportunities for student participation will be structured in the following three areas:

--Two page papers will be due each week which will address a key question about several related readings.

--Groups of students will lead class discussion on individual governance tools for particular weeks

--Members of the class will form small groups to research and present recommendations on major issues on the agenda involving third party government. We will keep watch on the rapidly evolving agendas of the President-elect and Congressional leaders. Right now, the issues of relevance to this course include the following:

Preventing the next financial crisis
Stimulating economic growth and jobs
Reinventing Obamacare
Implementing major new investments in public infrastructure
Rethinking the use of vouchers for public schools
Block granting Medicaid
Strengthening enforcement of existing immigration laws
--A final exam will be handed out as a take home to be returned within a week to test the students' thinking about the material presented.

Grades will be based on performance in the two page essays, group presentations, final exam and class participation.

**Texts Required**


In addition, handouts will be provided

**Schedule of Topics**

**Week 1**

Domestic Policy Implementation: Overview of the Exercise of Public Power in the United States and the Tools Used to Implement National Goals

Purpose: Provide a general background on literature on government tools used to carry out the federal role in domestic policy. Specific areas covered will include

--Discussion of the implementation process in public management history and
--Alternate perspectives on the advantages and disadvantages of third party government in general will be presented based on readings.

--Discussion of the history and development of the federal role in domestic policy

Readings:
Woodrow Wilson, "The Study of Administration", Political Science Quarterly, June, 1887


TWO PAGE PAPER
Due Jan 26 - Compare and contrast Woodrow Wilson's views of administration with those of Norton Long's. How would Wilson view the tools of government and the role of third party implementers in carrying out national policy versus Long?

Week 2

--Explore theories of collective action and their implications for the development of the role of government

--Discussion of several alternative taxonomies of tools

--Development of going-in hypotheses over how various tools meet effectiveness, efficiency and equity criteria. Variables affecting the appropriateness and performance of tools will be discussed.

Chapter 1 in Salamon, ed. *The Tools of Government*

Roderick Macdonald, “The Swiss Army Knife of Governance” (just the part on swiss army knife analogies) HANDOUT

**Class exercise**

We will rate tools based on their potential effectiveness, efficiency and equity.

**Weeks 3 and 4**

--Key implementation challenges associated with third party governance

--Program design alternatives to improve program impact

--Management and accountability challenges associated with third party governance programs


Eugene Bardach, “On Designing Implementable Programs” HANDOUT

**Suggested Readings**

TWO PAGE PAPERS

Due Feb 9– Take a policy issue and rate the relative efficacy of different tools to achieve policy goals, using effectiveness, efficiency and equity as your criteria.

Due Feb 16 – Take a policy issue involving tools that you are familiar with and assess the management challenges and potential reforms that can improve the management and accountability prospects for that policy.

Week 5

Tools for Intergovernmental Leadership: Grants

---Discussion of the history and evolution of the federal grant in aid system, including the rationale for categorical grants as well as the emergence of block grants as an alternative policy instrument

---Assessment of the effectiveness of federal categorical grants in promoting federal programmatic objectives and the equitable allocation of funds; discussion of their impacts on state and local decisionmaking, priorities and management

---Broader proposals to devolve major areas of domestic policy to the states or localities

David Beam and Timothy Conlan, “Grants”, in Salamon, ed. The Tools of Government

Conlan, Posner and Reagan, Governing Under Stress, Chapters 2, 3

Office of Management and Budget, Analytical Perspectives: Budget of the
Week 6 – Federal Regulations

--What are the trends in the use of federal regulation as a tool? What types of activities are most commonly subject to regulation and what kinds of strategies are used by federal programs to achieve regulatory goals?

--What is the scope and prospects for recent efforts to reform and constrain regulation? Specifically, how successful are recent efforts to roll back specific regulatory programs and intergovernmental regulation in general likely to be?

--What kinds of national leadership techniques are available to the federal government that are less prescriptive than regulation? What are respective roles of research, national guidance, voluntary standards and the "bully pulpit" in attaining federal objectives?


Janet Weiss, “Public Information”, in Salamon, ed. The Tools of Government

TWO PAGE PAPER

Due March 2 - You are staff to a top policymaker in the U.S. Environmental Protection Agency. She has asked you to discuss options for a federal program reducing the exposure of the nation’s schools to radon in the ground and water. Provide a comparison of the relative merits of grants vs. regulation for addressing this problem and make a recommendation. Tell your boss how the grant or regulation should be designed.
Week 7

STEERING THE PRIVATE ECONOMY

Tax Expenditures

--What are tax expenditures and how are they used at the federal level?

--What have been the principal design issues with the use of tax expenditures to achieve federal policy objectives? What are the advantages and disadvantages when compared to other policy tools?

Readings:


Christopher Howard, “Tax Expenditures “in Salamon, ed., The tools of Government

Office of Management and Budget, "Tax Expenditures" in Analytical Perspectives, 2017 Budget, Chapter on tax expenditures

Suggested Readings

Lehn Benjamin and Paul Posner, Tax expenditures and accountability: The case of the ambivalent principal, Handout

Leonard Burman and Marvin Phaup, Tax Expenditures, the Size and Efficiency of Government and Implications for Budget Reform, 2012, Handout

CLASS PROJECT

March 16 - Students will fill out income tax forms to simulate the effects of
different tax expenditures on different types of taxpayers.

**Week 8 - Tools of Financial Intermediation**

--What is the rationale for loan and loan guarantee programs and where are they most frequently deployed at the federal level?

--How can insurance programs be designed to fill gaps left by market while promoting risk reduction and mitigation?

--What are the common advantages and problems experienced with these tools across different federal program areas?

**Readings:**


Office of Management and Budget, *Analytical Perspectives, FY 2005 Budget*, Chapter on credit and insurance

Watch Frontline video on financial crisis  

**Weeks 9 and 10 - Privatization and Other Market-based Tools**

Purpose: To explore the potential and pitfalls of alternatives to the public delivery and provision of services, with an emphasis on privatization, vouchers and other market-based instruments
--What are the different forms of privatization?

--What are the potential consequences of various privatization options for efficiency, responsiveness and accountability?

--What are the opportunities for privatizing federal programs? What are the issues that should be considered when designing privatization initiatives?

Readings:

Steven Kelman, Procurement: Focusing on Performance and Results, Memos to National Leaders, 2016

Ruth Hoogland DeHoog and Lester Salamon, “Purchase-of-Service Contracting”, in Salamon, ed. The Tools of Government


John Donahue, “The Limits of Privatization” HANDOUT

Conlan, Posner and Reagan, Chapter 6 on weatherization and Chapter 8 on subsidies for energy investment

Suggested Readings:

John Donahue and Richard Zeckhauser, Collaborative Governance, Handout

Emilia Istrate and Robert Puentes, Moving Forward on Public-Private Partnerships, Brookings, 2015

Stephen H. Linder, “Coming to Terms with the Public-Private Partnership: A Grammer of Multiple Meanings”

Catherine Rudder, “Private Governance as Public Policy: A Paradigmatic
TWO PAGE PAPER

April 6 – Assess a contracting proposal that you will be provided with in class. Discuss whether and how the readings have provided you with new insights and views on the privatization decision involved in the case.

Week 11 - Networks and Third Party Implementation Regimes

Purpose: To understand and map networks of third party providers for government programs. Develop and apply criteria to assess the relative efficacy of various kinds of networks in achieving collaboration and policy goals.

Specific issues to be covered include:

--What are the relative strengths and weaknesses of networks and other third party implementation regimes compared with standard bureaucratic agencies?

--What are the differing purposes of networks and what are the implications of these differences for policy implementation?

--What are the criteria that can be used to evaluate networks and how can these be applied to specific areas?

--What are the factors that determine whether a network is effective in working collaboratively among themselves and with government?

--What are the institutional and interpersonal capacities necessary to form effective networks and collaborative partnerships?
Readings:

Don Kettl and Steven Goldsmith, Unlocking the Power of Networks, Handout

Keith Provan, Mark Veazie, Lisa Staten, and Nicolette I Teufel-Shone, “The Use of Network Analysis to Strengthen Community Partnerships” Handout


Suggested readings

W.J.M. Kickert and J.F.M. Koppenjan, “Public Management and Network Management: An Overview” HANDOUT

CLASS PROJECT

April 13 - Students will form small groups to assess specific policy areas they are familiar with including emergency preparedness, public health, transportation and low income housing. Students will be asked to map networks across public and private sectors and draw conclusions about potential effectiveness of each network in working collaboratively and in partnership with governments.

Weeks 12 – 13 Bringing it all Together

Purpose: To assess the overall efficacy of third party government and major proposals to reallocate roles and responsibilities across governments and sectors

Lecture will draw together takeaways on major lessons and conclusions from
the course and help prepare students for the final exam.

Readings:

Conlan, Posner and Reagan, Chapter 10
Mettler, The Submerged State – Handout
Dilulio, Bring Back the Bureaucrats, Templeton Press, 2014

FINAL CLASS PROJECTS

April 20- May 4 - Student groups will make presentations on recommendations for reform of major third party governance programs agreed to at the beginning of the course, as listed at the beginning of this syllabus. Students will report on their findings in powerpoint presentations and subsequent class discussion.

Final exam to be handed out takehome. Final exam will consist of answers to four questions. Students are asked to keep answers to no more than 25 double spaced pages. Due Date will be provided in class.

Students are responsible for observing the University’s honor code. Cheating and attempted cheating, plagiarism, lying and stealing of academic work and related materials constitute Honor Code violations which will be reported to the University’s Honor Committee.