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GEORGE MASON UNIVERSITY

DIVISION OF POLICY AND MANAGEMENT

SCHAR SCHOOL OF POLICY AND GOVERNMENT

***PUAD 504-001: MANAGING IN THE INTERNATIONAL ARENA: THEORY
AND PRACTICE***

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Course Description

This course is designed to improve your ability to manage in a rapidly changing increasingly interconnected world where challenges and opportunities can arise or evaporate with blinding speed. Whether you manage in the public, private or non-profit sectors, there are multiple institutions engaged, a wide array of issues and factors that influence how and what you manage, many of which are beyond a manager's ability to control. In the complex, chaotic and always challenging international environment, there are no easy blueprints for managers to follow. Managers must act with incomplete information and inadequate resources often with unforgiving time pressures. Tough decisions are complex and gray, not cut and dried to be guided by simple how-to management books. As in baseball, the real world of management decision-making requires a mix of strategy, statistical analysis, psychology, and mystery. Tolerance for ambiguity and responding properly to stress are two core qualities. Higher quality managers know how to mix all of these parts effectively. To succeed, managers must have a workable management approach and a set of successful and easily adaptable management and communication tools. And if these don't work, he or she must start over with some new ones!

The course should help you develop a deeper appreciation of management context: the institutions engaged in the international arena, the cultural forces and political power dynamics affecting the international environment and the specific ways in which successful managers can adapt to this environment. The course should also help develop your own philosophy of management, one that can be adapted to the specific institutional circumstances and issues that you will face as a non-governmental, private or public sector manager. It will expose you to a variety of highly successful managers, as well as effective tools that are used by international managers everywhere. It should help develop your management approach by providing a broader

understanding of how to face multiple institutional actors and stakeholders that are often in conflict. You should develop a keener appreciation of the factors influencing managers in the international arena by evaluating their actions in real cases involving a wide variety of international issues.

You will be using standard terms for your cases and papers such as: politics, policy, administration and management. They are different and you need to define and distinguish them. To distinguish management from policy, think of *operational management* decisions as means to the achievement of *strategic policy* ends. **Management** then consists of the nuts and bolts of personnel and finance to try and increase efficiencies, effectiveness and productivity. The term “managerialism” is often used to describe: emphasis on measurable results; motivational strategies to increase task and organizational loyalty; and designing incentives to replace cultures of blame with cultures of learning. Line management makes the technical choices to keep programs and services running; staff decisions refer to senior management and the strategic level of organizations. **Policies** refer to authorizing laws and regulations in sectors such as energy and education that include measurable goals and objectives. Planned or draft policies are not policies. Conceptually and practically, the two levels of management and policy often come together. It is often said around Washington that, for example, personnel is really policy. Staff personnel are often considered policy level or senior management while line officials are considered as technical operations and logistical management people. One level can affect the other. At the operational level, reforms of personnel “policies” may lead to deeper supply-side (or structural) systems changes at the more strategic policy level. These can change both the management incentives and operational rules that affect the supply and demand for labor through changes in hiring and firing practices. Incrementally and over time, management changes may be able to overcome structural constraints to individual and organizational performance.

Learning Outcomes and Integrity Policy

Specifically, the course is designed around issues that come up while managing international programs and projects. ***Consider it a sampler of skills and methods needed for managing issues in key sectoral practice areas.*** As will be noted, the course is subdivided by the major practice areas of international development that are funded by the major donors. The ***first outcome*** then is familiarity with management issues in particular international sectors, such as education and transportation. Guest presentations by experienced managers operating in those practice areas are central to this course and will complement our readings and discussion. ***The second outcome*** is familiarity with field problems and resolutions by experienced international managers. You will get out of the course what you put into it. Individual initiative, especially in applying course materials to your own work issues and/or current issues, is essential to success. ***It should be emphasized that you must read, follow and understand this syllabus.*** If confused about any assignment, it is your responsibility to ask for clarification before it is due. Note that faculty in the Schar School have zero tolerance for academic dishonesty and like other members, I will strictly enforce Mason’s honor code.

Employment in International Management

In addition to the full-service firms such as: Development Alternatives, Incorporated (DAI), Management Science International (MSI), Chemonics International, Creative Associates International, Nathan Associates, World Learning, Research Triangle Institute (RTI) and Deloitte-Touche, some firms specialize in sector work such as health, e.g. Abt Associates; and education, e.g. Global Partnership for Education; globalpartnership.org/jobs; Dev-Tech Systems works almost exclusively in Latin America; NGOs such as ACDI/VOCA focuses on evaluation and small business; ICMA (International City-County Management Association) focuses on sub-national governments; also check online resources such as: developmentaid.org (Weekly Job Newsletter); and Asian Development Bank's (ADB) Consultant Management System (CMS) ralvaran@adb.org. International foundations also do a lot of development and international management hiring. See for example: www/careers.gatesfoundation.org; and UN Foundation: careers@unfoundation.org. It is useful to read job descriptions to see what qualifications are required for more specialized positions that you might want later, e.g. "Credit Risk Officer—Public Sector Financial Institutions" was recently advertised by the European Investment Bank (EIB). World Health Organization often seeks people with accounting and risk management expertise to examine the effectiveness of oversight mechanisms ieoacapplic@who.int. OECD needs people to perform comparative and country-specific analyses of technical topics, such as how policies and institutions affect labor market and social outcomes www.oecd.org/careers. And World Bank recruits specialists, long and short-term, with expertise in urban risk and disaster management. Such people have backgrounds in: municipal infrastructure and services and local economic development www.worldbank.org/careers. Some positions are restricted by nationality, e.g. the position of program officer for the child abuse team funded by the Oak Foundation is limited to EU or Swiss nationals www.oakfnd.org.

There are also many local monthly meetings at which potential employers meet and exchange ideas. For example, ICT4 nick@techchange.org meets regularly and share project and management failure experiences. Typically presenters confess their project omissions/commissions, followed by atonement/repentance, followed by an uplifting show of group forgiveness, and ending with lessons learned for redemption/salvation; the International Consortium on Government Financial Management (ICGFM) meets monthly at the Carnegie Endowment for discussions about topics on the full range of public financial management issues: icgfm@icgfm.org; for UN jobs check: careers.un.org; for interviewing tips and how to deal with HR types as opposed to revenue-generating staff to demonstrate you have the right stuff see: Lauren Rivera's book: *Pedigree: How Elite Students Get Elite Jobs* (2015).

Course Requirements

The requirements consist of: readings, attendance and participation in class discussions, a written analysis and presentation of one case, and an individual final capstone paper project. Because of weather, illnesses or other factors out of our control the class schedule may change during the

semester. ***For these reasons, you are responsible for consulting Blackboard Course Content each week for any changes to the syllabus, class schedule, assignments, and/or to the slides.*** Because classes are usually small, active participation is essential. This places a premium on attendance. You must notify me immediately to explain any absence or to let me know if you must be absent in the future for any reason. All course requirements are in this ***syllabus***; you are responsible for everything in it, i.e. read it carefully!

1. Participation (20%):

The course cannot succeed without the active participation of each student. Since learning relies heavily on case study presentations and discussion, you should carefully prepare for each class by reading the *cases and the articles indicated for discussion that week* (**). You must be open to considering opposing views; and will read the assigned material and be prepared to discuss the case and respond to questions. Where no cases are assigned for the week, you must read the cases anyway and be prepared to engage in class discussion on public administration and policy issues. Any graded exercises, assigned periodically, will include presentation of answers to the class. These will become part of your participation grade. In addition, I will assign each student responsibility for an article (***denoted*** **) listed in this syllabus for required reading. The student should be prepared to explain the content, describe the issues and problems raised by the article and respond to any questions raised by the article. This is not a written assignment and slide presentations are not necessary. There will also be classroom exercises, such as the *Urbania* role-playing exercise that will be part of your participation grade.

2. Case Analysis/Presentation (30%):

Most of the assigned cases involve comparative responses to policy problems in a particular country or set of countries. The cases/exercises available are numbered 1-23 below. I will attempt to assign them on the first day of the course, or wait for your choice by ***Class #2, January 30***. Alternatively, should you want to develop and present a case study from your work experience (using fictitious names of course). If so, see me and we can discuss it. For all case studies you can see me for suggestions on how to proceed. The written paper or product will be a short, memo-type paper (***about 7 pages, single-spaced maximum, excluding tables or figures***). ***The written product is due to me the day that the oral presentation is assigned, e.g. Case #2 = Class #3 or #4, February 6 or 13. The penalty for late case papers is one grade per day.***

International affairs and management decisions occur within an arena that is: messy, imprecise and unpredictable. To achieve short-term objectives and minimize long-term damage, all policy-makers and managers have to go on are case experiences. Thus, case analyses must describe precisely defined issues and demonstrate clear, practical lessons. When analyses rely on similarities with other country cases from different historical periods, their applicability to the present situation must be demonstrated. ***The articles cited in this syllabus are suggestive only and you should supplement them with other materials needed to thoroughly cover the case***

issues and provide updates. Ideally, case analyses should lead to law-like rules or precedents to guide decision-making.

For the case assignment you should: define the actionable problems/issues, explain the costs/risks of remedial options, draw practical management lessons, and demonstrate their applicability. You might structure the paper as an advisory memorandum for policy-management to senior management. Regardless of the suggested questions or readings provided below for each case then, your written analysis should cover five basic topics and sections:

- (1) Summary description of the central management or policy issues. The case-specific as well as generic issues should be condensed down to *actionable* problems—ones that managers could act on to reduce,
- (2) Review of how the issue(s) arose in this case and similar ones elsewhere (this could be background or context),
- (3) Discussion of the manager’s decision and what options s/he considered, and
- (4) Your evaluation of the effectiveness of those decisions and what lessons you draw from it.
- (5) What systemic and management lessons could be transferable and adaptable elsewhere?

To deepen your analysis, you should draw upon more recent sources and comparative examples of similar events in similar contexts. If possible, bring the case up to date—since most of these issues persist. The cases illustrate perennial issues not just problems that are country-specific. Make sure your analyses cover at least the above five topics. Cite or reference all sources.

The oral presentation should be about 30 minutes maximum and you should be prepared for questions and discussion afterwards. You should include brief handouts and slides to clarify your coverage of the four topics.

3. Capstone Paper (50%):

This is a more formal paper that requires analysis and taking a position on a particular issue, for example: the difference between successes and failures of primary health care delivery in three African countries can be explained by over-centralized institutions and lack of professional capacities. “Capstone” refers to the topic of this course but can certainly include readings and concepts gained from any other course. The intent of this paper is to draw management lessons from past successes and failures in problem-solving for particular organizations, projects, or transactions. While the intent is to draw lessons for future cases, it is not a single case study—it has to be based on multiple experiences, studies and other cases. It should also be on a different topic than your assigned case. Drawing on readings, cases and your own experiences, describe management issues related to a specific international issue or issues. The issue(s) selected by you could focus on successful or failed management of an issue or institution.

An example might be food and water security problems in the Middle East. In this example, you would focus your paper on failed and successful country cases in MENA:

- (1) Defining the problems (again *actionable*); the problem(s) should be part of your argument or thesis for the paper
- (2) Reviewing the technical options available for remedy of the problem (what available and what has been tried),
- (3) Examining the efforts, programs and/or policy decisions made so far by the country cases selected,
- (4) Assessing their effectiveness, and
- (5) Developing lessons and systems for managing (or preventing) future crises.

Again, to distinguish management from policy, you should think of *operational management* decisions as means to the achievement of *strategic policy* ends. Management consists of the nuts and bolts of personnel and finance to try and increase efficiencies, effectiveness and productivity. Policies refer to authorizing laws and regulations in sectors such as energy and education that include measurable goals and objectives. Reforms of personnel policies for instance refer to supply-side measures that change incentives and affect the supply and demand for labor through changes in hiring and firing practices.

The paper should not only distinguish the two levels of analysis and identify the core issues, but provide background, the rationale for their selection, the basis for including comparative examples and the kinds of lessons that can be learned (e.g. strategic, management, short-term and long-term). The capstone paper should be under **15 pages (single-spaced)** in length with references for all quotes, paraphrases or any thoughts other than the author's own. Tables/figures can be in an appendix and will not count in the page limit. Overall, if you need a few more pages that is fine. ***The paper is due by COB, the Friday May 8. No late papers or case projects will be accepted. Send them to me in Word (not PDF).***

By ***Class #8 (March 20)***, you must submit a brief of your ***proposed capstone project*** to me in class or by email. This should include:

- (1) The topic and problem,
- (2) Major management issues and your intended positions (the thesis or argument) on them, and
- (3) Data and information sources. This is not graded and is primarily for your benefit. While I will provide you feedback on soundness and feasibility of your proposals, subsequent to review and discussion of your proposals I will not provide feedback on drafts of your capstone paper.

Writing Pointers

1. Define your core terms--generically and how they are used in the case and your paper. Definitional variation and confusion abounds in the management and policy areas. Note specific examples and try to clear them up in your cases and papers.
2. Lessons/recommendations should relate logically back to the issues/options/decisions questions that you should have clearly identified earlier. This is a structural pointer.
3. Tell the reader, (a) what you are going to do and how, (b) where you are going in this paper, and (c) why you are going that way, i.e. to resolve the problem(s) with a recommendation. That is, in a few sentences at the outset, describe your writing plan and thesis.
4. The paper needs to convince the reader that there is a problem—citing data and cases; and make a compelling case for the argument or thesis with persuasive arguments and data.
5. Both case and paper call for "analysis". That means being alert to issues and sub-issues, spotting them, reviewing costs and consequences of action/inaction, raising red flags, and then providing options. You may not be able to make any definite conclusions about these issues. There may not be enough facts, or the research noted in your literature reviews might not have reached any consensus. But noting these questions and problems shows that you think they are issues that should be examined further. You should suggest implications and meanings in your paper; don't be afraid to do this! Your analytic inquiry may simply take the form of questions. This is informed speculation which reflects critical thinking. Put another way, the analysis suggests that failure to give this issue or sub-issue a harder look could create policy results and management problems later.
6. Avoid leaving common terms vague, such as "corruption" or "lack of coordination". The terms are symptoms of deeper problems and need further explanation, such as with perverse regulations that impede law enforcement in the first case and the irrational assignment of roles and responsibilities to institutions at different levels of government in the second case.
7. As indicated under discussion of "capstone paper", your paper should contain a clear thesis statement or argument. This will guide your discussion and be the main point of your analysis and comparisons.

Readings

Required: George M. Guess (2018) ***Building Democracy and International Governance*** (New York: Routledge) (BDIG).

Otherwise, the course uses management readings from such sources as: *Harvard Business Review* (HBR), a novel/film focusing on a West Nigerian road project (*Mr. Johnson* by Joyce Cary), a film on the Georgia electricity privatization effort (*Power Trip*), and some technical articles related to financial management. To illustrate particular themes, we will also use supplemental material from newspaper, magazine, journal, and text readings, as well as relevant

on-line material and websites. Most of the other materials are drawn from the Pew Case Studies series at the Institute for Study of Diplomacy at Georgetown University. ***If anything cited is not available online, check the GMU library. They have subscriptions to all publications cited in this syllabus.*** Most of the readings are on ***Blackboard Course Content***. If you can't find one, let me know as web addresses change. The rest of them should be available either via YouTube, Google search, or at the GMU library. ***The Economist Explains*** is a technical blog that may be of use to you.

Other Resources

The many independent research institutions in the Washington, DC area publish a variety of online and print materials related to the issues and institutions that we will be exploring this semester. These institutions include but are not limited to the following: American Enterprise Institute; Brookings Institution; Carnegie Endowment for International Peace; Center for Global Development; International Budget Program of the Center for Budget and Policy Priorities; International Monetary Fund; Organization for Economic Cooperation and Development (OECD); Woodrow Wilson International Center for Scholars; World Bank (<http://documents.worldbank.org/curated/en/country>); World Resource Institute; I also recommend reading "The Corner Office" by Adam Bryant on Sundays in the *NYT* for practical insights into the real world of managing organizations and people; as well as the "Bartleby" column on management and work in the *Economist*.

CLASS SCHEDULE

Weekly Readings: ** indicates will be discussed in class

Class #1: January 23--Introduction

- Introductions
- Objectives/requirements/expectations: review of syllabus
- Learning by the case method: John Foran "The Case Method of Learning"
<http://www.soc.ucsb.edu/projects/casemethod/teaching.html>
- Public v private and NGO management; shifting career positions: NGO, government, IFI (bilateral-multi-lateral), foundations, universities, think tanks, partners, stakeholders.
- *What is management?* Selected definitions/ activities, e.g. goals, incentives, support, evaluation.
- Levels of management, e.g. line v staff; project, program, and policy.
- * Types of management: Theory X v Y: directives v consensus.
- * National v international management: rules and job pressures; risk taking and severance.

Homework: the syllabus requires that you present an argument or thesis for your final papers. As an exercise in spotting the main theses or arguments, read the article "A Cotton Boll's Journey" and pick out the main thesis from the text. This is the statement that likely

served as anchor and compass for the writer of this article. Alternately, you could summarize a thesis from reading the text. Either way, send or bring them to me *by next week* with your names on them. Hint: there are at least two good thesis possibilities in the article:

<http://www.economist.com/news/middle-east-and-africa/21721636-will-manufacturing-africa-ever-take-journey-african-cotton-boll>

Class #2: January 30--What do Managers do?

Consider management as both a position and a set of skills. The position consists of authority and responsibilities. The skills include leadership, goal-setting, motivation and mentoring. It is said that successful leaders create the right conditions so that others can achieve ambitious goals. How can a leader-manager avoid destructive internal competition and conflict between employees? How can roles be defined and differentiated to avoid this endemic conflict? How can situations of low-level chronic dislike be avoided where everyone dislikes everyone else yet the place still functions but people are unhappy? Are sensitivity to small group dynamics and role differentiation part of the answers?

- *Management and Financial Management*: Steven Finkler: 1-20
- ****Management and leadership**: “Manager’s and Leaders: Are They Different”, Abraham Zaleznik, *Harvard Business Review*, available online. How does the Rubik’s Cube problem (dealing with finite resources by moving the pieces) apply to leadership? Are leadership skills universal? Is leader with HQ experience more appropriate than someone with field career?
- *Management as art and science*: “The Hard Work of Being a Soft Manager”, William H. Peace, *Harvard Business Review*, available online.
- *Guru advice on how to be a better manager*: George Gallup’s missions and maxims; and Covey effective leadership habits: character, purpose, discipline; effective people v effective organization or company fallacy; Matthew Syed and the need to “embrace failure”.
- *Structural necessities* or ingredients: appropriate role and job description, adequate authority, and timely personnel and financial performance information. Roles, levels in hierarchy, independence, authority to make budget and personnel changes, also to cover up (i.e. Metro)!
- *Dealing with management failures*: cathartic approaches, e.g. <http://failfairedc.com>; ICT4.
- *Recruitment*: how NGOs/firms/government organizations identify talent.
- ****Monitoring and Evaluation of Management**: According to Jerry Muller what are the personnel and management costs of increasing demand for performance indicators, metrics and benchmarks? How can management encourage the necessary amount of performance reporting without producing goal displacement? See: According to Schumpeter, what is “digital Taylorism?” Why is it spreading and what are its limits?

Can the principles of Taylorism be applied to aid and development work? What remedies would you propose for areas such as: international aid, education, and law enforcement?

http://www.economist.com/news/business/21664190-modern-version-scientific-management-threatens-dehumanise-workplace-digital?fsrc=email_to_a_friend

- ****Comparative information:** Describe Xavier’s simple 2-step methodology (Blackboard).

Classes #3 and #4: February 6 & 13—International Management Context

Gurus such as Peter Drucker marinated their minds with ideas from the great books and novelists such as Jane Austen. Are “outward bound” seminars and workshops a better way to develop leadership and management skills than “inward bound” approaches that use films and novels to mine ideas, generate hypotheses and encourage relating what you read or see to your lives?

- ****The overseas aid business and key actors:** read G. Guess review of Brinkerhoff book in ***Public Administration and Development*** (2006) on Blackboard. See also: <http://www.the-american-interest.com/2015/01/20/the-cure-for-development-dysphoria/>
- Guess, ***BDIG, Chapters 7-8***
- ****Project context:** success requires top level support and solid management of interpersonal relations: read Paul Theroux, “Incident in the Oriente” on Blackboard. Was Moses metaphor of a “traveling circus” appropriate for the development business?
- ****Political culture:** consider as like-minded communities of values (e.g. sects, religions, tribes, races, and elites) that influence what rules should be made and how strictly they should be enforced. Operative examples can be found in Japanese consensus and predictability values and persistent deflation and lifetime tenure jobs. See also: G. Guess, “Decentralization and Municipal Budgeting in Four Balkan States” ASPA Paper (1999) on Blackboard. The paper attempts to trace the effects of Balkan political culture on this policy reform. Can leadership *define* the culture (making political culture an intervening variable)?
- **Institutions:** formal and informal rules that structure incentives, e.g. byzantine authority relations in Kazakhstan, Nepal.
- **** Corruption and Management**. Corruption as abuse of power is a big issue in international management and white collar crime during bidding is a prime example. How does corruption distort-pervert professional incentives to manage? Suppose a private firm is accused of bribery under the Foreign Corrupt Practices Act of 1977 in order to obtain an aid contract in the Dominican Republic from IADB? As an audit investigator what questions would you have? How could you determine whether higher-ups or principals knew of the practices? As attorneys for the firm, what defenses would you offer for the payments to the host government? For this read “Corporate Graft in Europe: Cleaner Living” (*Economist*, 5/26/18) on Blackboard.

- **Case #1: Political Culture, Project Management and Financial Management:** Read *Mr. Johnson* by Joyce Cary on *Blackboard*. The narrative illustrates multiple cultural clashes in managing systems of: capital project implementation, including, internal control/audit and accounting/reporting methods. It raises questions as: How can formal accounting systems prevent informal often corrupt practices contrary to established modern norms, e.g. “facilitation payments”, phony invoices, and made-up charts of accounts and journal-ledger systems? How can accounting systems and internal controls be designed consistently with the imperatives of political culture and developmental needs? Should the road project have been stopped before completion?

Note: “Mr. Johnson” by Joyce Cary. The book is out of print but provided on Blackboard. Go to: <https://www.youtube.com/watch?v=vADRHPoGjH4>.

1. Was Mr. Johnson a more effective road project manager than Rudbeck? Why? Was Rudbeck a financial manager? Did Rudbeck’s slogan—“order, rules, progress” pertain to project finances?
 2. Describe the political culture(s) here. How were locals locked into systems of patronage and tribe and what behavior(s) were the results? How many political cultures were there?
 3. What was Mr. Johnson’s position, his roles, and which rules governed his actions? Were institutional rules and roles clear? To what extent were they not? How did that affect management?
 4. Which of Mr. Johnson’s actions were illegal according to local customs and practices? According to Western budgeting and auditing rules (e.g. GAAP)? His financial shenanigans kept the project going but payments to the native treasury were likely embezzlement and illegal or corrupt.
 5. What were the issues of: *internal control/audit* (NAO v project unit); *cash management* (budget management flexibility); and *accounting*? (e.g. Johnson made up ledger accounts as “road treasurer” and posted transactions such as: cow purchase as reimbursable expense to be placed in export accounts as probably hide). See handout and discussion of accounting and budgeting issues on *Blackboard*.
- **Case # 2: (#117) “Negotiating Development Assistance: USAID and the Choice Between Public and Private Implementation in Haiti”.** For a recent update read: <http://www.economist.com/news/americas/21723169-new-president-banana-man-trying-out-fresh-ideas-country-desperately-needs> (“A Time to Sow” *Economist*, 6-10-17). The argument seems to be governance is constrained by weak government or a weak state. Can better public management make a difference to policy results here? For an earlier

update read “A March Around the Institutions” and “Unhappy Anniversary” (on *Blackboard*); *The Economist*, 1/17/15, p.14 and pp. 35-36. How can future international disaster relief avoid treating the host government as a bystander? ***BDIG Chapter #1***

- **Case #3:** “*Power Trip*”, is a 2004 film on the US energy conglomerate (AES-Telasi) electricity privatization project in Tbilisi in 1999. The US multinational company has just taken over the Georgian state electricity company and wants to charge market prices. The case illustrates a clash of cultures over market v state-provided services. Did AES management calculate the costs/risks of the privatization project properly? To watch on YouTube try this address: <https://www.youtube.com/watch?v=XLasmBm1MJc>. To stream this you have to go online to the GMU library: scroll down to "Online resources available to GMU students..." then under "persistent Links to this record" use this address: <http://magik.gmu.edu/cgi-bin/Pwebrecon.cgi?BBID=3119026>.
- **Guest Speaker:** Mr. Dennis DeSantis, Former President and CEO of QED Group, “Managing Development Projects in High-Risk Environments: The Case of Pakistan” (on *Blackboard* and ***Appendix, BDIG***

Classes #5 and #6: February 20 and 27: Managing for Problem-Solving

- **Identifying and structuring problems:** (a) well-structured (e.g. NYC rats, Bucharest dogs and UK foxes); and (b) messy problems, e.g. international conflicts. See: “Problem Definition” on *Blackboard* from Guess and Farnham, ***Cases in Public Policy Analysis, 3rd Edition*** (Georgetown University Press, 2011).
- ****Leadership and the management of stakeholders and coalitions.** Leveraging top-level support and technology; the need to think strategically, form alliances and find partners. University presidents need to have these qualities. Read my review of the book on presidential “derailments on *Blackboard*: “Presidential Derailments”.
- **Case # 4:** (#310): “Rolling Back Malaria by Nets: Do Public-Private Partnerships Work?” (*Blackboard*).
- **Case #5** “Europe’s Boat People”. Using the *Economist* 4/25/15, pp.21-24 (*Blackboard*) and other sources, answer the following questions as you write your case analysis: (1) what is the immigrant problem in Europe? Hint: there are at least three groups that must be considered for management and policy solutions: refugees, economic migrants and voters at home. Would the Vietnamese Boat People example of the 1970s be a good comparative policy model? Or would the ASEAN member problems absorbing even smaller numbers of Muslim Rohingya from Myanmar be a better one? Should the EU focus on “transmission channels” as the source of the migrant problem? (2) Did the EU shift from *Mare Nostrum* to the *Operation Triton* policy provide an incentive to flee and

take further risks by migrants or was the new policy a life saver? (3) How should the migrant source states in North Africa and the Middle East be strengthened to decrease the supply of migrants, i.e. decrease the incentive to emigrate? How can these failed states be reassembled? Should technical assistance/ management efforts utilize NGOs or try to create stronger more legitimate central/local governments? and (4) how does the EU's governing structure and its specific rules (e.g. the Dublin Regulation) encourage or prevent sharing/transferring immigrants and granting asylum? See also: "Europe's Migrant Crisis: Forming an Orderly Queue", *Economist* 2/4/16 pp 19-22 (*Blackboard*).

- **Case # 6: Refugee Settlement.** How can the problem of settling refugees be managed in the MENA region? How can the interests of refugees (e.g. from Syria, Iraq and Afghanistan), donors (e.g. UNHCR) and host countries (e.g. Jordan, Lebanon) be aligned? What practical models and solutions can be offered and how well have they worked? Read: "The Forgotten Millions", *Economist*, April 15, pp.70-71
<http://www.economist.com/news/books-and-arts/21720615-growing-up-refugee-camp-means-little-education-and-no-jobs-how-improve-prospects>
- **Guest Speaker:** Ms. Tine Knott, Vice President and Director of DAI's Center for Secure and Stable States, Development Alternatives, Incorporated (DAI). She will discuss managing the implementation of a development project in Rwanda in a talk called: *What about when it gets ugly? And it always gets ugly!*

Classes #7 and #8: March 6 and 20, Managing Fiscal Reforms: Adjustment, Austerity and Policy Changes

In an era where national and organizational policies are set by ideological values and sound bites, solid empirical baselines, benchmarks and anchors are needed. Programs need to be based on facts: financial trends, cost analyses, and physical performance information. Though public financial managers and managers can provide these inputs, CEOs and senior managers should take them into account before allocating resources to services, programs and projects. In short, public financial management (PFM) is a key skill, like proposal-writing, needed for both generalist senior managers and departmental financial managers. PFM includes: (1) *Government Budgeting*: a management tool using multiple data and information formats to provide information to executive officials, citizen watchdogs, credit agencies, legislators, and auditors, and (2) *Public Sector costing and pricing basics*; analytic tools for management: break-even and flexible budget analysis.

- *Aid and State Fiscal Reform and Development: **BDIG Chapters 9-10***
- *Measuring Fiscal Condition and Controlling Risks:* See: Committee for Responsible Federal Budget (CRFB): <http://crfb.org/document/chartbook-avoiding-budget-gimmicks>

- ****Overview of Public Financial Management:** see G. Guess “Public Financial Management Review”, *Public Administration and Development* (33:404-407, 2013) on *Blackboard*.
- **Budget Transparency:** Examine the Nigerian government’s fiscal transparency effort at: www.yourbudget.com Does it provide tools to understand state budgets there? Can citizens with little knowledge of accounting-budgeting track project progress? Distinguish public (fiscal data and public budgets) from shared knowledge (trade-offs in private). How open should displays be of shared knowledge?
- ****Managing PFM Reform Projects:** See my review of Steve Peterson’s book on *Blackboard*. What were the challenges of PFM/decentralization reform in Ethiopia? Did his team manage them well?
- Listen to the 2014 Nigerian hit song called "IMF" by Seun Kutí. Do the lyrics capture the popular view of IMF and its work? How has the IMF changed its programs for poor countries? <https://www.youtube.com/watch?v=8fGcf3GODKE&spfreload=10>
- **Case #7:** (#205): “The IMF Structural Adjustment Program for Zambia's Agricultural Sector” (on *Blackboard*)
- **Case #8** (#262), Structural adjustment and local partners: “Managing the Asian Meltdown: The IMF and South Korea” (on *Blackboard*); What are the lessons for IMF adjustment and austerity program design to remedy South Korean problems in the 1990s for the more recent fiscal crises in such countries as Egypt?
- **Guest Speaker:** Mr. Steve Rozner, Senior Fiscal Advisor, USAID (4/3): “ A Taxing Question: Domestic Resource Mobilization in a New Development Era”
- **No class 3/13 Spring Break**

Classes #9 and #10: March 27 and April 3—Managing Urban Transportation

By 2020, more than half the world’s population will live in cities (Worldwatch Institute, 2013, www.worldwatch.org/taxonomy/term/101). In addition to increased pressures on municipal services and ability to finance them, this has led to crises of public access and mobility, increasing congestion, and pollution in many cities. With increasing urbanization, frequent deterioration of municipal infrastructure and more costly transport services, the movement of people within cities becomes increasingly costly and difficult. The attempt to move people between and within cities may be the most visible and important public policy or program. Frustrated Santiago (Chile) bus passengers, stranded by abysmal bus service, for instance, commandeered two buses going in different directions and took them home. Specifically, the four most critical urban transport problems are: (a) fragmented organizational and management

responsibility structures; (b) weak capital planning systems; (c) lack of system financing; and (d) weak accountability and low citizen participation.

It can be said that socioeconomic development depends on the efficacy of urban transport—to move people to jobs, schools, hospitals; for police and fire to respond to emergencies; and for the operation and maintenance of related services such as electricity, water-sewer, and sanitation. In spite of this importance, land use patterns and urban transport systems are rarely well-linked or managed in most cities of the world. Even successful urban transport systems seem to deteriorate over time from underfinancing and mismanagement, suggesting that institutionalization of policy lessons has not occurred. European and North American cities are acquiring many Third World transport features, including poor planning, underfunding, clogged roads, and air quality problems caused by trucks and cars. Conversely, many Third World cities have come up with innovative solutions to increase mobility and access for both the poor and middle classes. European and North American systems have also developed innovative responses to urban transport policy problems. It is important that these management and policy lessons be identified and transferred to systems around the world to improve systems performance.

****G. Guess (2007) *Managing and Financing Urban Public Transport Systems: An International Perspective* (Budapest: Local Government and Public Service Reform Initiative of the Open Society Institute), Introduction (on *Blackboard*).**

***G. Guess and T. Husted (2017) *International Public Policy Analysis* (New York: Routledge), Chapter 4 on urban transport and infrastructure (on *Blackboard*).**

***Case #9** –“Transport Trouble in Toronto” (on *Blackboard*). What is the transport “governance” problem? What options does Mayor Cory have? Have other city transport systems had the same problems? What should he do?

***Case #10** “Jakarta’s Transportation Problems” (JFK Case 1976.0) (2012). Read also: “Traffic in the Philippines’ Capital: Slowly Does It” *The Economist*, Feb 25th 2016, p.31. http://www.economist.com/news/asia/21693631-rising-car-ownership-and-appalling-transport-policies-block-roads-slowly-does-it?fsrc=email_to_a_friend

***Case#11:** “Sri Lanka Transport (A): The Bus Industry” (JFK Case 1377 (1997). What were the problems with Sri Lanka’s bus industry? Was private sector involvement a key solution? If so, were the tools provided by World Bank relevant?

**** Group Pricing and Costing Exercise #1:** “Flexible Budget for New City Subway”

Read this case in the slides on *Blackboard*. This is an exercise to apply the flexible budgeting principles illustrated by *Meals for the Homeless* (slide #88) and to apply the break-even formula in *Martell Orchestra* (slides #s 96-98) to a practical case. For New City, find the optimal break-even fare by analyzing the cost and volume behavior for all

three fares. Note the sensitivity of subway demand or volume to fare or price here, aka price elasticity of demand. People can always drive, ride bikes or take Uber!

Hints: (1) fill in the figures for the three rows and four columns of the *Blackboard* template (Surplus/Deficits = TC-R), (2) find the optimal fare box price to maximize surplus or profits, (3) using the formula given in the slides, find the #tickets needed to break-even at that price, (3) explaining why higher fares and ridership volumes do not increase system profits (surpluses), and explaining what happens to the break-even volume points with the higher and lower fares? Pick a group leader and present your answers to the class next week. **Additional issue:** would increasing service result in more farebox revenue or possibly less because of increased costs (e.g. maintenance)? That is, would there be more marginal revenue but even greater marginal cost? Is the purpose of a public transit agency to move people or to make money as a business?

****Management Role-Playing Group Exercise #2:** “Easing toward Change in Urbania’s Finance Department”. As indicated in the case on *Blackboard*, Edwards, the new Director has to decide how to modernize the system and the implications of gaining control over accounting files at the possible expense of control over transaction documents processing, e.g. purchasing and inventory. He has to make a decision and needs both inputs from staff as well as their support to do that. For the exercise, play the roles assigned and embellish them as you see fit consistent with your position and departmental needs as you see them. The roles are for: Edwards, Frank Paterno, Gwen Rivera and Joan Prosper. In order for the Director to decide what to do and why, he must: (a) define the problem, (b) develop options, (c) build support and (d) explain his decision. The assigned Evaluator role(s) must assess whether he did that, and how well the other three played their roles.

- **Capstone Proposals Due 3/20.**

Class #11: April 10: Managing Educational Reform

Since World War II, expenditures for primary and secondary education have been the fastest-growing area of public spending in OECD countries. But educational importance on national agendas is reflected not just in budgetary outlays. The most important values and interests of a society are represented in education policy. Defining such basic interests has been a matter of great controversy across the globe. Fortunately, education has been an important area of international policy and management action. The reform of educational systems and transfer of applied lessons across countries in the last few decades has been dramatic.

****Lessons from Liberia:** Compare donor and private aid to schools. Using the case of Liberia, what have been their approaches and results?

- **Case #12:** “Washington, D.C. School Reform” (on Blackboard); See also: Joel Klein, *Scenes from the Class Struggle*, What is the educational performance problem and what

have been the core element of modern urban educational reform in cities such as NYC and Washington, D.C.? www.theatlantic.com/magazine/archive/2011/.../308497/. What are the institutional and policy constraints to reforming schools in New York City? What changes did Klein suggest?

- **Case #13** (GJ11218) “Seeds of Social Inclusion: Reforming Education in Costa Rica”. Educational values are a component of political culture. Can educational systems alone create, perpetuate or destroy political systems? What were the origins and current status of the democratic project in CR? How did education become so important to the national political culture? Does the GOCR’s educational focus on citizenship and the values of: tolerance, equality and democracy explain why democracy has persisted here since at least 1948? What are the racial, ethnic and geographic dimensions of the social exclusion problem in CR? Is there differential discrimination against Afro-Costa Ricans v more recent economic immigrants from neighboring countries? How has the educational system responded to the need to combat social exclusion and to provide more quality education for all K-12 students? (on Blackboard)
- **Case#14** (GJ12317) “Calls for Reform: Challenges to Saudi Arabia’s Educational System” How do the particular features of Saudi political culture: gender inequality and excessive clerical influence affect Saudi plans to move employment training and education beyond its role of oil producer? What have been the effects of its policies of imposing employment quotas and using expats for local works? Has the shift of women’s education from the Ministry of Religious Affairs to Education made a difference? (on Blackboard)
- **Case #15** “*Early Childhood Development*” What forms of policy and management intervention can be found in Latin American and African programs? Which forms are most effective and why? (Blackboard article, *Economist* 10-29-16, pp 53-54).
- **Guest Speaker:** Margie Yeager, Policy Director, Chiefs for Change (www.chiefsforchange.org): “Education Reform in the D.C. Schools and Other Major Systems”.

Class #12: April 17: Managing International Elections

Election managers and observers work in unstable contexts riven with sectarian, tribal, ethnic, regional and partisan conflicts. Elections can exacerbate these tensions but also heal them if organized properly. Election administration consists of multiple roles ranging from: poll worker training, to enforcement of laws on voter eligibility, development and updating voter registration lists, development of ballots and planning for election day needs for each polling station, ensuring votes are properly counted and sent to appointed non-partisan EMBs, handling protests and appeals and reconciling votes with ballots if needed. All this is required to ensure that votes produce legitimate candidates and governments. Outside election observers from such organizations as Carter Center, OAS and OSCE are also used to ensure free and fair elections.

- Read “What do Election Observers Do?” *Economist* 6/21/17 on Blackboard.
- **Case #16** (#303): “When People Elect the Wrong Leaders: The United States and Elections in Algeria, 1991-92” (on Blackboard)
- **Case #17** (#309): “The Turkish Democratic Experiment: Integrating the Demands of Kemalism and Political Islam” (on Blackboard); For an update and additional depth see: Jenny B. White, “The Turkish Complex” *The American Interest*, 10:4 (March/April, 2015), pp.15-23; see also: “Turkey: Special Report” *Economist*, 2/6/16 [http://www.economist.com/news/special-report/21689871-under-recep-tayip-erdogan-and-his-ak-party-turkey-has-become-richer-and-more-confident?fsrc=email to a friend](http://www.economist.com/news/special-report/21689871-under-recep-tayip-erdogan-and-his-ak-party-turkey-has-become-richer-and-more-confident?fsrc=email%20to%20a%20friend)

Political cultures are communities of values often meaning those of the dominant sect or regime. How has the Erdogan political regime weakened the institutional check on political Islam, i.e. the Diyanet?

- **Guest Speaker:** Tihana Bartulac-Blanc, Senior Associate, Creative Associates International (CAI) and former Deputy Director, Center for Democracy and Election Management (CDEM), American University.

Class #13: April 24: Managing Environmental Problems

State budgetary and policy processes should mediate if not resolve issues raised by conflicting interests. All stakeholders including the public should be represented in transparent processes in which scarce resources and public needs compete for funds and access via allocation of direct expenditures, subsidies, licenses and concessions. As is known, decentralized federal states offer more public mediation and conflict resolution points than authoritarian states. But processes are often short, opaque and exclude stakeholders. The perennial Brazilian tragedy of “fiscal commons”, for example, allows politicians to “overgraze” the state budget from fears that rival claimants will take more than their fair shares, leading to excessive fiscal deficits and debt burdens.

In the environmental management area, a similar tragedy of the commons occurs when states allow special interests such as domestic cattle, agriculture, palm oil and external investors in oil and mining, as well as aid creditors such as China to destroy, overexploit and even to gain ownership of local natural resources. These interests individually and collectively engage in overexploitation for their short-term benefit at the expense of the long-term public interest in resource sustainability. Massive deforestation of tropical forests and watershed degradation are obvious manifestations of opaque processes controlled unfairly by cronyism and special interests. Weak and often illegitimate states using such processes to allocate resources fail to regulate or enforce the legal and regulatory frameworks necessary to prevent natural resource commons tragedies. Pricing to limit demand, control pollution, and conserve resources has been

critical policy tool world-wide. At the more micro level, conflicts between particular resource users, e.g. forests (and within forestry: tropical v plantation management), water, pasture, crops, oil and minerals have been successfully managed. But scaling these particular successes upwards to strengthen state policy institutions and processes has been more difficult.

- *Managing conflicts between oil and forest resources*: Nick Miroff, “Adding Fuel to the Fire: In Ecuador, Oil Drilling Stokes Tribal and Environmental Tensions” *The Washington Post*, 2/17/14, p.A1.
http://wapo.st/1frYueK?tid=ss_mail&utm_term=.bc7e8dd0a8cc (on Blackboard). Given the UN ITT Yasuni Initiative, why did Rafael Correa decide to drill for oil in Ecuadorian tribal and forest protection areas? Has resource exploitation damaged or developed the Waorani tribal areas? Given other country examples, how could this conflict have been managed more effectively? Diplomacy is a management tool. Consider it as trying to create out of conflicting laws and customs a new story everyone can listen to. Was that done here?
- *Managing conflicts between conservation and development advocates in areas of fragile eco-systems*: What are the problems and available options for remedying conflicts between the Lacandon Community in Mexico and the scientists and ecologists from Natura Mexicana and the Mexican government over use of this land? Joshua Partlow, “A Jungle Struggle Heats Up in Mexico: Tribes That Want to Use Rain Forest v Biologists Seeking to Preserve It” *The Washington Post*, 7/7/14, A1.
- ***Managing Natural Resource Conflicts in Latin America*: Read “Mining in Latin America, From Conflict to Co-Operation” *Economist* 2/6/16 pp.31-33; what are the problems with mineral exploitation? What are the constraints to reconciliation of conflicting interests? How have other comparable conflicts been dealt with? What options exist for locals, investors and governments?
http://www.economist.com/news/americas/21690100-big-miners-have-better-record-their-critics-claim-it-up-governments-balance?fsrc=email_to_a_friend
- ***Water Management*: What is the water problem in India? What were the lessons of different responses by Solapur and Latur to the crisis? How could better water management help? See “Unholy Woes” *Economist*, 5-14-16, pp.29-30;
http://www.economist.com/news/asia/21698678-indias-water-shortage-owes-more-bad-management-drought-unholy-woes?fsrc=email_to_a_friend
- See: Jeff Barnard (2014) “Oregon Timber Foes See the Forest for the Trees” *The Washington Post*, 12/28/14, A3. The collaborative group brought environmentalists and the timber industry together to come up with economically and ecologically sustainable projects that lawsuits wouldn’t stop. Would this institutional approach for improved management work overseas?
- In places like Indonesia, smog is created from burning tropical forests for plantations and croplands and peatland smolders for years spreading haze all over Asia. Shame

propaganda and prosecution have been proposed as solutions to change the firefighters risk-reward calculation. What do you think will work and why?

- **Case #18:** (#252) “Environmental Protection or Economic Development? The Case of the Chinese Huai River Basin Clean-Up Plan” (on Blackboard). Given the severity of the water problem for future development, did the Chinese water management strategy make sense (then or now)? Does it focus on increasing supply and improving quality through more infrastructure investment? Or is it more focused on conservation and demand management through pricing and regulation? Which will work best to ensure sufficient supplies of clean water for drinking and industries? For an update, read also: “China Water: A Massive Diversion” *Economist*, 4-7-18 (On Blackboard)
- **Case #19:** (#187) “Debt-for-Nature Swaps: Win-Win Solution or Environmental Imperialism in Bolivia?” (on Blackboard)

Class #14 May 1: Western and Non-Western Approaches to Managing Energy and Development Expectations (last day of GMU classes Monday 5/6)

- **Paul Collier, “Under Pressure: Good Management of a Resource Discovery Needs Informed Citizens and Informed Governments”, *Finance and Development*, 12/13, pp. 50-53. All F&D articles are online at: www.imf.org/external/pubs/ft/fandd
- “Paying the Piper: Gazprom and European Gas Markets”, *The Economist*, 1/4/14, pp.47-48.
- Rebah Arezki and Ritwak Banerjee “Aid and Oil” *Finance and Development*, 3/14, pp. 48-50. Focuses on important issues, such as: aid effectiveness and the resource curse.
- ***“Dysfunctional Lebanon: Power Boat” *Economist* (9/29/18) How can sensible energy policies be implemented without competent, professional governments?
<https://www.economist.com/middle-east-and-africa/2018/09/29/a-floating-electricity-plant-divides-lebanon> *On Blackboard.*
- ***“Ending Energy Poverty: Power to the Powerless”, *The Economist*, Feb 25th 2016, pp.49-50. Why should electricity customers pay for its use in poor countries?
http://www.economist.com/news/international/21693581-new-electricity-system-emerging-bring-light-worlds-poorest-key?fsrc=email_to_a_friend
- **Case #20:** (#155) “Development Strategies in Conflict: Brazil and the Future of the Amazon” (on Blackboard)
- **Case #21:** (#267) “Shell in Nigeria: Corporate Social Responsibility and the Ogoni Crisis”. In addition to CSR, discuss the issues related to the “resource curse” notion and its frequent coincidence with bad socio-economic policies. Is the resource curse an obstacle or blessing in disguise? To what elements of the Nigerian political culture should Shell (and the Government of Nigeria) have been sensitive prior to investment? (on Blackboard); See Albert O. Hirschman “Obstacles to Development: A Classification

and a Quasi-Vanishing Act” (1965) and “Namibia’s Economy” *Economist*, 4-22-17.
<http://www.economist.com/news/middle-east-and-africa/21720932-such-policies-did-not-work-out-well-zimbabwe-namibias-president-flirting>

- ***Guest Speaker:*** Mr. Darian Diachok, former USAID Energy Advisor to the Western Former Soviet Union, “Confronting the Post-Communist World for the First Time—Lessons Learned from the Energy Sector” (with a guitar-accompanied Ukrainian *corridos* energy ballad).
- ***Papers Due by Wednesday 5/8***