

LAD Workshop Course: The Role of Public Policy in Private Sector Development

This is a four or five day intensive program for a small number of mid- and high-level government officials and business leaders, exploring how government can encourage and enable the private sector to play a larger, more constructive role as a force for economic growth and development. The process includes small team interactions, with case studies drawn from Asia, Africa and Latin America. Major themes are 1) Industry promotion, 2) Investment promotion, 3) Public private partnerships in infrastructure, and 4) Access to finance. This program is designed to reinforce and illustrate three critically important hypotheses about the role of public policy in private sector development:

1. Public policy matters! The performance of the private sector and its role as either a catalyst or an obstacle to economic growth is closely connected to how well or badly government policies are designed and implemented.
2. The public officials responsible for enhancing private sector participation must acquire a range of analytical skills to be effective. But policy reform is not like engineering or other technical fields where there is a clear optimal solution to a problem. Designing and implementing meaningful policy reform requires a broader, more interdisciplinary knowledge of economics, politics, local history and culture, combined with a sense of how to set priorities, sequence actions and build coalitions.
3. Successful policy outcomes that encourage and strengthen private sector participation are contingent upon the capacity of government officials and business leaders to understand and appreciate the interests, motivations and objectives of their counterparts.

Teaching in the class is done largely through the “case method,” a technique of teaching and learning through the analysis of actual events that have occurred. The cases in this course highlight both the political challenges and analytical tasks encountered by government officials in different countries who are responsible for formulating policies and programs designed to encourage a larger, more constructive private sector role in the local economy, such as improving consumer credit information in China, eliminating corruption in the Indonesian customs service by contracting out critically important services to a private firm, or restructuring a public water and sewerage authority in India. Each case is presented from the point of view of a practitioner—usually a government official—who played a central role in the policy making process. Participants assume the role of the principal analyst/decision maker who must thoroughly analyze the problem, identify and assess the issues, and make a defensible decision on whether to proceed, and if so, how. Where possible, a large percentage of cases are drawn from the country or region where the course is being held.

Group projects addressing policy issues that are currently confronting governments in the region where the course is being held are an additional important part of the course. Ideas for group projects are selected by class participants themselves. After deciding on a project topic, each group

spends part of each day working on that topic and applying that day's material to refine their proposal and strategy. Each group presents their proposal on the final day of the course.

Course Duration: Generally 5 days.

Course Leaders: Francis Fukuyama, Roger Leeds, Mary Hilderbrand, Alan Trager

Countries where course has been offered: Costa Rica, Georgia, Kenya, Myanmar, Peru, Singapore, South Africa, Thailand

SAMPLE SCHEDULE FOR A FIVE-DAY “THE ROLE OF PUBLIC POLICY IN PRIVATE SECTOR DEVELOPMENT” COURSE

	Day 1	Day 2	Day 3	Day 4	Day 5
Session 1	Lecture: “The State and Private Sector Development”	Lecture: “The Role of Finance in Development”	Lecture: ”Introduction to Public-Private Partnerships”	Lecture: “Building State Capacity and Good Governance”	Lecture: ”Making Government Work Better”
Session 2	Case: ”The Hyderabad Metropolitan Water Supply and Sewerage Board”	Case: ”The Chad-Cameroon Pipeline” or ”New Delhi Electricity”	Case: ”Getting Special Economic Zones to Work in Tanzania”	Case: ”Gifford Pinchot and the US Forestry Service”	Case: ”Diminishing the Size of the Informal Sector in Medellin” or ”Administrative Decentralization in Peru”
Session 3	Case: ”From water scarcity to a global hydro-hub in Singapore” or ”Reviving Georgia’s Wine Industry” or ”Development of Peru's Asparagus Industry”	Case: ”Establishing the Individual Credit Registry System in China” or ”Access to Financial Resources for Local Companies: Revitalizing Brazil's Stock Exchange”	Case: ”Financing Slum Rehabilitation in Mumbai” or ” Lesotho Hospital and Filter Clinics: A Public Private Partnership”	Case: ”Police Reform in Georgia” or ”Indonesia's Corruption Eradication Commission”	Group project meetings
Session 4	Group project meetings	Group project meetings	Group project meetings	Group project meetings	Group project presentations

Note: Topics and cases listed here are for illustration only. LAD works with its partner institutions to select teaching cases that will be useful in the region where the course is held.