

## Syllabus

### **Regulation and Reform: Analysis and Policy (4 ECTS)**

Victor Attila Albert, Assistant Professor (valbert@hse.ru,  
<https://www.hse.ru/en/org/persons/192085609>)

School of politics and governance

## **1. Course Description**

### 1. Prerequisites:

This course is taught in the second year of the Master's program 'Public policy and Political Analysis'. It requires prior knowledge in political science and/or related disciplines and a general understanding of the following:

- The history of politics and policy reform over the past 40 years, and in particular the changing fortunes of regulation in the core democracies (or more specifically, the move from an administrative to a regulatory state, the effects of neoliberal reforms, the nature of better/smarter regulation and a renewed interest in re-regulation in the wake of the 2008 Global Financial Crisis);
- Some knowledge of regulation and governance;
- How to learn independently and as part of a group.

Regulation and Reform: Analysis and Policy complements several other courses in the programme and builds upon the knowledge and skills developed in the following courses:

- Foundations of Public Policy
- Global Actors in Public Policy
- Markets, Regulation and Europeanization

The following knowledge and skills are needed to study this discipline:

- An understanding of the objectives and methods of political (and social scientific) analysis, and how it is substantiated and presented;
- To be able to independently understand and analyse texts from the governance and political science literatures, in order to critically develop your own arguments in ways that engage with and are located within the broader literature;

To be able to collect, analyse and logically present material that comes from class-set topics or topics that you choose yourself, participate in group discussions, contribute to debates and seminar activities, give a presentation, and conduct yourself in a way that is respectful of others;

- To be able to write an academic essay that conforms to the basic essay writing form, i.e. that contains an introduction, locates the essay within a particular academic literature, demonstrates an understanding of historical context (and the contingencies surrounding your chosen case(s)) and then presents an original and critical analysis that relates to these literatures.

## **2. Abstract**

This is a master's level course on regulatory governance. The structure of the course is broadly historical. It traces the changes to the state which have been described as the move from an administrative to a regulatory state, particularly focusing on the kinds of control it enables governments to have and also criticisms of these reforms. It then introduces better and smart regulation, drawing on the introduction of better regulation and its adoption by the EU, and then considers the utility of regulatory impact assessments as a tool of better regulation, with the examination of environmental regulation a case in point. Next, the course moves beyond government-centric conceptualisations of regulation and examines decentralised forms of regulation and what might be termed 'regulation from below'. Finally, the course examines the effects of the Global Financial Crisis on financial regulation and why regulatory responses have been so weak.

### **3. Learning Objectives**

The learning objectives for the course are:

- To provide students an understanding of regulatory governance, and some of the recent developments in it, and their strengths and weaknesses. Critically engage with the regulation literature and the arguments for and against particular kinds of regulatory reform; also be able to critically assess the language and ideology of regulation and its relationship to politics.
- Make your own arguments about regulation that draw on particular cases of regulatory reform, or changes in regulatory settings, and present these arguments in the proper academic form.
- Understand the case and comparative and historical literature on regulatory reform, with a particular focus on EU and (to a lesser extent the United States) and participate in class discussions relating to it.

### **4. Learning Outcomes**

As a result of undertaking this course of study, students should:

- Understand how regulation has changed over time -- particularly in the European context -- as well as the theories, ideas, and related socio-political processes that have undergirded that change.
- Be able to explain some of the key justifications behind new forms of regulation, its historical trajectory in the EU, and outline several key cases of regulatory reform and their effects.
- Be able to build their own arguments, based on the regulation literature, that critically assesses regulatory instruments and reforms and locates them within a broader context of policy-making experimentation and development

## 5. Course Plan

Topic	Total Hours	Contact hours			Independent Students' Work
		Lectures	Seminars	Training	
Introduction to Regulation and the Regulatory State	19	2	3		14
Deregulation and its Paradoxes	19	2	3		14
Smarter or Better regulation: justifications and theories.	19	2	3		14
Assessing the Impact of Better regulation	19	2	3		14
Better Regulation in the EU: environmental cases	19	2	3		14
Regulation beyond the state	19	2	3		14
Regulation from below – cases of participatory policy-making from Europe and elsewhere.	19	2	3		14
Regulation after the Global Financial Crisis	19	2	3		14
<b>Total:</b>	<b>152</b>	<b>16</b>	<b>24</b>		<b>112</b>

## 6. Reading List

a) Required Readings (please consult LMS in order to see which text corresponds to which seminar)

- Majone, G. (1997) 'From the Positive to the Regulatory State: causes and consequences of changes in the mode of governance', *Journal of Public Policy*, 17(2): 139-167. (Access through HSE electronic resources)
- Baldwin et al. (2011) 'Introduction' in Baldwin, R., Lodge, M. and Cave, M. (eds.) *Understanding Regulation: theory, strategy, and practice*, Oxford University Press: Oxford. (Access through HSE electronic resources)
- Majone, G. (1994) 'Paradoxes of Privatization and Deregulation', *Journal of European Public Policy*, 1(1):53-69. (Access through HSE electronic resources)

- Ha-Joon Chang (1997) 'The economics and politics of regulation', *Cambridge Journal of Economics*, 21(6): 703–728. (Access through HSE electronic resources)
- Radaelli, C. (2007) 'Whither Better Regulation for the Lisbon Agenda?', *Journal of Public Policy*, 14: 190 – 207. (Access through HSE electronic resources)
- Baldwin, R. (2005) 'Better Regulation? Is it better for business'. Federation of Small Business, London. <http://www.fsb.org.uk/docs/default-source/fsb-org-uk/policy/assets/0952-better-regulation.pdf?Status=Master&sfvrsn=0>, (Open access)
- Wegrich, K. (2011), 'Regulatory *impact assessment*: ambition, design and politics', in Levi-Faur, D. (ed.), *Handbook on the Politics of Regulation*, Edward Elgar: Cheltenham. (Access through HSE electronic resources)
- Torriti, J. (2007) 'Impact Assessment in the EU: A Tool for Better Regulation, Less Regulation or Less Bad Regulation?', *Journal of Risk Research*, 10(2): 239-276. (Access through HSE electronic resources)
- Radaelli, C. and Meuwese, A. (2009) 'Better Regulation in the European Union: The political economy of impact assessment' , in Jacob, K. (ed.), *Evaluating Integrated Impact Assessments*, Springer: Berlin. <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.529.6369&rep=rep1&type=pdf> (Open Access)
- Taylor, C., Pollard, S., Rocks, S. and Angus A. (2012) 'Selecting Policy Instruments for Better Environmental Regulation: a Critique and Future Research Agenda', *Environmental Policy and Governance*, 22(4): 268 - 292. (Access through HSE electronic resources)
- Pesendorfer, D. (2006) 'EU Environmental Policy under Pressure: Chemicals Policy Change between Antagonistic Goals?', *Environmental Politics*, 15(1): 95 – 114. (Access through HSE electronic resources)
- Scott, C. (2004) 'Regulation in the Age of Governance: The Rise of the Post Regulatory State', in Jordana, J. and Levi-Faur, D. (eds.), *The Politics of Regulation: Institutions and Regulatory Reforms for the Age of Governance*, Edward Elgar: Cheltenham. <http://researchrepository.ucd.ie/bitstream/handle/10197/6779/RiseOfPostRegState.pdf?sequence=2> (Open Access)
- Black, J. (2002) *Critical Reflections on Regulation*, Centre for Analysis of Risk and Regulation, London School of Economics: Available online at: <http://www.austlii.edu.au/au/journals/AUJILegPhil/2002/1.pdf> (Open Access)
- Grabovsky, P. (2013) 'Beyond Responsive Regulation: The expanding role of non-state actors in the regulatory process', *Regulation & Governance*, 7(1): 114-123. (Access through HSE electronic resources)
- Zavestoski, S, Shulman, S. and Shlosberg, D. (2006) 'Democracy and the Environment on the Internet Electronic Citizen Participation in Regulatory Rule Making', *Science, Technology & Human Values*, 31(3): 1-26. (Access through HSE electronic resources)
- Lane, M. and McDonald, G. (2005) 'Community-based Environmental Planning: operational dilemmas, planning principles and possible remedies', *Journal of Environmental Planning and Management*, 48(5): 709-731. (Access through

HSE electronic resources)

- Lodge, M. and Wegrich, K. (2010) 'The Regulatory State in Crisis: a public administration moment', *Public Administration Review*, 70(2): 336-341. Available online at: <http://personal.lse.ac.uk/lodgemc/hqr.pdf> (Open access)
- Baker, A. (2010) 'Restraining Regulatory Capture? Anglo-American, crisis politics and trajectories of change in global financial governance', *International Affairs*, 86(3): 647-663. (Access through HSE electronic resources)
- Casey, T. (2015). How macroprudential financial regulation can save neoliberalism. *The British Journal of Politics and International Relations*, 17(2), 351-370.

b) Optional Readings

- Der Hertog, J. (2000) 'General Theories of Regulation', in De Geest Bouckaert (ed.), *Encyclopedia*, vol. III: 223–271. (<https://reference.findlaw.com/lawandconomics/5000-general-theories-of-regulation.pdf>) Open access
- Cave, M. (1999) 'Why Regulate?' in Baldwin, R., Lodge, M. and Cave, M. (eds.) *Understanding Regulation: theory, strategy, and practice*, 1st edition, Oxford University Press: Oxford. (Access through HSE electronic resources)
- Quistgaard, K. (1998) 'The Deregulation Paradox', <https://www.wired.com/1998/05/the-deregulation-paradox/> (Open access).
- Kellett, P. (2008) 'Is the better regulation agenda producing better regulation?', *Environmental Law and Management*, 20: 221-231. <https://www.ukela.org/content/page/2249/ELM-20-5-Kellett-final.pdf> (Open access)
- White, S. (2015) NGOs Fear Better Regulation Could Hurt Environment, <https://www.euractiv.com/section/science-policy/news/ngos-fear-better-regulation-could-hurt-environment/> (Open access)
- Gouldson, A. and Morton, A. and Pollard, S. (2009) 'Better environmental regulation - contributions from risk-based decision-making', *Science of The Total Environment*, 407(19): 5283-5288. [https://dspace.lib.cranfield.ac.uk/bitstream/1826/6529/1/Better\\_environmental\\_regulation-2009.pdf](https://dspace.lib.cranfield.ac.uk/bitstream/1826/6529/1/Better_environmental_regulation-2009.pdf) (Open access)
- Majone, G. (2010) 'The transformations of the regulatory State', I Paper, Osservatorio sull'Analisi d'Impatto della Regolazione. [http://www.osservatorioair.it/wp-content/uploads/2010/10/Paper\\_Majone\\_RegulatoryState\\_sept2010.pdf](http://www.osservatorioair.it/wp-content/uploads/2010/10/Paper_Majone_RegulatoryState_sept2010.pdf) (Open access)
- Grabosky, P. (1994) 'Beyond the Regulatory State', *Australian and New Zealand Journal of Criminology*, 27(2): 192-197. (Access through HSE electronic resources)
- Aikman, D., Bridges, J., Kashyap, A., & Siegert, C. (2019). Would macroprudential regulation have prevented the last crisis?. *Journal of Economic Perspectives*, 33(1), 107-30. (Access through HSE electronic resources)

## 7. Grading System

**Participation: 20% of final grade**

**Essay: independent work of 10 pages, 50% of final grade**

**Examined presentation: 30% of final grade**

The sum of the grades for the attendance, essay, the final presentation (and grades associated with preparing and presenting it) and final examination will be translated into a numerical grade.

**Participation.** The students are supposed to attend the classes and actively participate in the class activities. This will include a short introduction/summary for the class of one of the texts set in the course guide.

**Essay.** Students will prepare independent work, submitted on November 4. The essay will consist of ten pages. The teacher will assess the student's ability to knowledgeably use the core theories and concepts of the course, the ability to apply them appropriately to relevant case studies, the quality of presentation – which must consist of a proper essay structure and referencing system – and the soundness and criticality of the argumentative logic. Extra marks are given for papers that substantively engage with literature beyond those set in the course guide.

**Final Exam.** The final exam will be held in a dialogical form that will consist of a presentation and a related discussion related to a topic selected by a student and endorsed by the course lecturer before the exam. Each presentation (10 minutes) reports on and examines an instance of regulatory reform that employs the ideas, theories and policies examined in the course. It should present the case, show how policies were shaped by particular regulatory ideas and strategies and then **critically** evaluate the effects of the regulatory reform. In the course of the exam the teacher evaluates the structure of presentation, the student's knowledge of core theories and concepts of the course and the ability to apply these theoretical concepts appropriately to relevant case studies, taking into consideration how the student treats the subject: through demonstrating an ability to think critically and develop appropriate and original arguments. The teacher may ask additional questions to evaluate the understanding and depth of the argument that is presented.

**a. Course Grade Criteria**

O stands for “grade”. It is divided into accumulated and final grades which are described by their own formulas.

O<sub>accumulated</sub> formula is:

$$O_{\text{accumulated}} = O_{\text{current control}} = 0.3 * O_{\text{participation}} + 0.7 * O_{\text{essay}}$$

where O<sub>participation</sub> is the grade for participation during the classes; O<sub>essay</sub> is the grade for the independent work (essay).

O<sub>final</sub> formula is:

$$O_{\text{final}} = 0,7 * O_{\text{accumulated}} + 0,3 * O_{\text{final exam}}$$

where  $O_{\text{final exam}}$  is constituted by the grade for presentation and written report on research project.

Rounding of numbers in calculating of the grades is arithmetical.

In the Master Degree Certificate, the final grade will be provided to the student in written form.

The discipline is taught during two modules but there is no intermediary assessment at the end of the first module.

### **8. Examination Type**

Final exam will be held in the form of oral discussion based on the content of student's final essay

### **9. Methods of Instruction**

The course is built upon the combination of modern educational techniques. It combines active and interactive forms of teaching. It relies both on discussion and group work and on conventional lecturing. The students are expected to actively participate in the in-class group work, and to do so are required to do the set and optional readings.

### **10. Special Equipment and Software Support (if required)**

The course requires

- Presentation equipment
- Multimedia equipment