



# Summer Ger Camp on Finance and Economics 2006 An Evaluation and a Template for Future Institutes

August 2006  
Ulaanbaatar, Mongolia



Project: Mongolia Economic Policy Reform and Competitiveness Project (EPRC)  
Report Title: ***Summer Ger Camp on Finance and Economics 2006 — An Evaluation and a Template for Future Institutes***  
Main Author: Mack Ott  
Contract No. 438-C-00-03-00021-00  
Submitted by: EPRC Project/Chemonics International Inc., Tavan Bogd Plaza, Second Floor, Eronhii Said Amar Street. Sukhbaatar District, Ulaanbaatar, Mongolia  
Telephone and fax: (976) 11 32 13 75 Fax: (976) 11 32 78 25  
Contact: Fernando Bertoli, Chief of Party  
E-mail address: fbertoli@eprc-chemonics.biz



## **ABBREVIATIONS AND ACRONYMS**

---

COP	Chief of Party
EPRC	Economic Policy Reform and Competitiveness Project
LAN	Local Area Network
NIA	National Income Accounts
TOR	Terms of Reference
USAID	United States Agency for International Development



## TABLE OF CONTENTS

---

ABBREVIATIONS AND ACRONYMS .....	i
INTRODUCTION .....	1
SECTION I: PURPOSE AND SELECTION .....	3
SECTION II: SUMMER GER CAMP ON FINANCE AND ECONOMICS 2006.....	5
SECTION III: A TEMPLATE FOR FUTURE INSTITUTES, CRITIQUE AND SUGGESTIONS FOR IMPROVEMENTS .....	9
SECTION IV: CONCLUSION AND AFTERWORD .....	11
ANNEX A: SYLLABI.....	15
ANNEX B: LIST OF ATTENDED STUDENTS .....	25
ANNEX C: COURSE AND INSTRUCTOR EVALUATIONS.....	29
ANNEX D: POST-MORTEM REPORT BY KING BANAIAN .....	35
ANNEX E: POST-MORTEM REPORT BY MILES K. LIGHT .....	39
ANNEX F: POST-MORTEM REPORT BY LINDA OTT .....	43
ANNEX G: STUDENTS RECOMMENDATION FOR FUTURE SUMMER GER CAMP ON FINANCE AND ECONOMICS TOPICS .....	47



## INTRODUCTION

---

The recently concluded Summer Economics and Finance Institute (24 July-6 August 2006) was the culmination of consultations and planning, initially between USAID and its Economic Policy Reform and Competitiveness Project (EPRC), which were subsequently broadened to encompass 12 agencies and departments of Mongolia's government and private sector firms, particularly banks, and a few institutions of higher learning. The germ of the idea was explored in a concept paper by EPRC's Chief of Party, Fernando Bertoli, "Summer Economics and Finance Course: Discussion Paper," circulated at the beginning of April 2006. The paper observed that many issues of policy implementation in Mongolia's government were handicapped by the lack of staff expertise in the pragmatic project cost-benefit analysis. This deficiency not only impeded sensible and positive analysis of single projects, but precluded objective comparison of alternatives when either scheduling or budget priorities made the implementation of all proposed projects infeasible.

Based on these observations, it was apparent that there existed key skill sets for economic and financial analysis where classroom instruction of staff could substantively improve their support of ministerial decision-making in a clear, informative and objective fashion. As a response to this potential for improved evaluation and decision processes, it was proposed that a summer institute for applied policy analysis would be instituted by EPRC, with USAID supporting it both financially and with its imprimatur.

This report recounts the process of arranging and implementing the first Summer Economics and Finance Institute, starting with querying Mongolian government departments, private sector agencies and financial firms about their views on the utility of such an institute and recounting the follow-up logistics, recruiting and arrangements to implement the institute. The interest of the participating agencies was to be made concrete through their supporting of the institute by, among other things, allowing their staff members to participate on official time and helping with the arrangements for implementing the institute. There was early and sustained support for the institute and at each step, agencies' prompt and open responses to queries concerning topics, duration and other scheduling issues provided strong evidence that the interest was real, concrete and dependable. In what follows, the process of proposal, initial interviews, gathering feedback and the decision to proceed are recounted. Simultaneously, the mundane but necessary supporting logistics, scheduling, recruiting and reserving steps in creating the institute are reviewed. Finally, the evaluations of the institute by its participants—students, instructors and staff—are reviewed; the evaluations—summary compilations of students' evaluations and the Post-Mortems of instructors and the EPRC staff—are appended to this report (See Annexes D–F). As is typical of any educational program, there were unforeseen benefits that arose in the planning and implementation of the institute. The foremost of these, remarked by many of the participants, was the chance to meet new colleagues in other agencies and to augment their professional networks by socializing in an attractive, relaxed, yet professional environment.

Altogether, these notes, by the task manager, Mack Ott, PhD, form a template for organization, a checklist for preparations and an important set of suggestions for improvements, changes and components to maintain or strengthen should it be determined that the institute is worth implementing on an annual basis.



## SECTION I: PURPOSE AND SELECTION

---

As initially proposed, the purpose of the institute was to improve Mongolian capacity to formulate and analyze economic and financial impacts of alternative policies and/or projects. Specific objectives of the courses offered in the institute would be to:

1. Diffuse knowledge and use of modern principles of finance and economics as well as contemporary quantitative analysis techniques in Mongolia
2. Develop skills in and promote use of quantitative analysis and project appraisal techniques to support economic policy and financial decisions
3. Increase the supply of young professional Mongolians in the private and public sector trained in these techniques
4. Improve the capacity of partnering Mongolian institutions to support and provide similar summer course offerings.

The proposed institute would include a course on cost-benefit project evaluation and two other courses that would be complementary to that topic. Course suggestions for such additional topics would be suggested by EPRC and solicited from participating institutional managers in interviews. As well, the length and dates for the course, and instructional issues, notably the language of instruction, would be discussed and opinions solicited.

Thus, the initial step in the design process was to schedule a round of interviews with potential participating institutions. In early April 2006 a series of meetings with senior officers and administrators was scheduled with 12 government and private sector agencies including those in the Ministry of Finance, the Ministry of Industry and Trade, the Mongol Bank, the National Statistics Office, the Financial Regulatory Commission, the Mongolian Stock Exchange, Khan Bank, Trade and Development Bank and Xac Bank. Following these interviews, a proposal was circulated to them that reflected their expressed preferences and asked for opinions on open issues to be determined if the institute were to go ahead. These included:

1. **Starting date and length:** either 17 July or 24 July. The institute would be constrained to follow Nadaam but not extend too far into the high vacation time of August. 24 July was the favored start date. As initially contemplated, the proposed length had been three weeks, but two weeks as an alternative arose in discussions with the participating agencies as a preferred length given the time off from work and the constraint of vacations. Also, as planning was undertaken, the thrall of two weekends away from home with strangers began to seem to be too much. Two weeks was the length unanimously favored by the participating agencies.
2. **Residence or day-time attendance** was another issue to be determined. Once two-weeks was selected as the length, a residential institute was strongly favored.
3. **Venue.** A location for the institute well outside of Ulaanbaatar was implied in order to preclude having both students and staff opt for returning to Ulaanbaatar each evening. The selected venue—The Mongolian Secret History Tourist Camp—was ideal both in being well outside of practicable commuting and in being desirable in and of itself by providing adequate facility and excellent service. As a result the residential arrangement was not an imposition.
4. **Language of instruction.** Either English, English with serial translation or English with simultaneous translation were the options, English without translation was quickly determined to be the favored option.

5. **Institute course subjects:** The list of alternatives offered to the participating institutions included:

- a. Project/cost-benefit analysis
- b. Financial institutions review
- c. Combination of project analysis and financial institutions review
- d. Open economy national income accounts (NIA)
- e. Industrial development and privatization
- f. Regulatory structure and legal reforms for market economy development

Note that a list of alternative topics for future institutes, suggested by students in the 2006 institute, is appended as the last attachment to this report.

**The selected courses were:**

- i. Combination of project analysis and financial institutions review
- ii. Open economy national income accounts (NIA)
- iii. Regulatory reforms for market economy development

## **SECTION II: SUMMER GER CAMP ON FINANCE AND ECONOMICS 2006**

---

The selected components of the institute reviewed above were based on responses from the agencies and, as indicated, their preferences resulted in the outline of the institute. From this stage the next steps were undertaken in parallel and simultaneously:

- Composition of the faculty
- Recruitment of students from the participating agencies, and
- Logistics and arrangements

**Faculty.** Recruitment of instructors was, as frequently the case, an application of the task manager's rolodex; of course, this is not unexpected as the task manager for the institute should be not only an experienced consultant but also one with background in training, preferably at the university or business school level.

Professor King Banaian, the instructor selected for the project analysis course had previously worked for the task manager in projects at the central banks of Ukraine and Egypt where his ability to teach economic policy topics across cultures and language barriers was amply attested. The national incomes course was offered to

Dr. Miles Light, a consultant with substantial experience in EPRC having taught computable general equilibrium model techniques as well as applying them to policy issues in Mongolia.

The third course, a potpourri of selected reform topics, was supervised by Linda Ott, MSED, an expert on procurement and government acquisition policy and, currently, a consultant to GSA of the US government; she provided a two-part session on this topic, led the policy roundtable at the course conclusion and monitored and managed the other sessions in this course.

Three of the sessions were led by EPRC staff members who have been instrumental in the reforms reviewed in these sessions—tax and accounting (Larry Jensen), housing finance (Tim O'Neill), and energy (Russ Brown). Horst Meinecke, the Deputy COP, participated in the Round Table.

The task manager, Mack Ott, led two other sessions—one on the informal economy—based on his ongoing EPRC work on the informal economy and its implications for domestic policy and income assessment, and another on anti-money-laundering policies for which a law had just been passed by the parliament.

**Syllabi.** The faculty members developed syllabi through discussions based on the needs on the market. Syllabi are attached to this report under Annex A.

**Recruitment of students.** In addition to invitations sent directly to the 12 participating agencies, a newspaper advertisement was run soliciting applications from students not employed in these 12 agencies. Recruitment of students was overseen by EPRC through a competitive application process. Of all the students recruited, 26 were approved for admission to the institute, and 19 ultimately attended (the list of students is attached to the report as Annex B).

**Evaluation:** There were three levels of evaluation at the institute, each of which will be discussed briefly:

1. Daily debriefing by instructors with the task manager/provost;
2. Evaluation forms completed by students at the completion of each presentation and, for the full-time instructors, at the end of the course;

3. Written self-evaluations by the instructors, submitted to the task-manager/provost with critiques of the institute and suggestions for improvements.

**Daily Debriefings.** As a daily ritual, during the institute, the instructors, task manager and camp counselor met each evening in the provost's suite for a half hour review of the day's events. These meetings provided a forum to correct any difficulties noted as well as to provide interim congratulations for things that were seen to be going particularly well. By scheduling this daily debriefing in the half-hour before dinner, there was a natural limit to its duration leading to economy of expression and business-like consideration of issues. When nothing pressing was raised, it was still a chance to discuss upcoming issues, ranging from the weekend activities to homework and the extent of communication with the students.

**Student evaluations.** An evaluation form, with a uniform set of questions, was filled out by the students after each single-session presentation and for the two main courses at their conclusion. The set of questions was shortened for the single-session evaluations as there were, generally, no homework assignments, classroom exercises, or readings. Otherwise the forms were uniform for all courses and sessions. For each evaluated aspect of the course or presentation, the students were asked to rate the instructor on a 1 to 5 basis— 5=excellent and 1=poor. For each evaluated aspect, the scores were summed and averaged across the 19 participating students, and then the aspects' averages were averaged to provide an overall evaluation. These evaluations' summaries are appended as Annex C for review.

The evaluations were uniformly strong for the overall course and the two primary instructors with student opinions being primarily excellent (5) and good (4). In particular, the overall evaluation of the institute was 4.4 with the Camp's facilities scoring strongly. The two main site instructors were evaluated to be very good to excellent, and their course materials and exercises were perceived and appreciated as appropriate and strong.

The shorter presentations were not rated as highly as the primary instructors. This may in part have been an attribute of presenting complex policy issues without the careful incremental preparation that was, concurrently, being presented in the two main courses. One suggestion for improving the reception for these would be to have an introductory session setting out the goal of the policy session. That is, the theme for the third course on economic reforms was "Transparency in Governance," and it would have been useful to have an introductory session laying out what "Transparency" means as a general philosophy of governance, why this is important, and how it is to be implemented. More pointedly, there is a strong possibility that the connotation of "Transparency" as "Openness and Legitimacy" was not understood by a substantial minority of the students. When it was explained—later in the first week—the concept was tricky to elucidate without use of metaphors. Two were used, and one or the other seemed to be grasped by each student:

- *Transparency in governance* means looking into the fishbowl and observing how the processes of decision-making, including awarding contracts, are accomplished. By insisting on transparency, corruption, nepotism or simply inefficiencies of various kinds can be made obvious and, hence, induce their avoidance.
- *Transparency in governance* can be thought of as meaning "being able to see *into* the clockwork" *not* "seeing *through* the clockwork." By observing how decisions are made, inappropriate decision processes such as corruption can be made obvious and induce decision-makers—aware that they are being observed—to avoid them.

This was a lesson in language that a commonplace metaphor may be difficult to translate into simple, direct, non-metaphoric English. For example, note that in the first approach, there is a metaphoric use of "fishbowl" which may or may not be obvious to Mongolians. Nevertheless,

somehow, the metaphorical use of “transparency” was clarified [sic] and then student appreciation of the linkages between good governance and tax reform, accounting, the informal economy, and government procurement issues seemed to increase.

**Instructor post-mortem evaluations and critiques.** The instructors’ TORs asked them to provide a post-mortem evaluation, including

- a self-evaluation of their course and performance,
- the adequacy of the students’ preparation,
- an evaluation of the students’ performance,
- an evaluation of the project’s support of the institute, and
- suggestions for improvement in case of future institutes.

These Post-Mortem Reports by the instructors are appended to this report for detailed assessments, so only a summary of points will be offered here. Important points of agreement will be stressed as well as “Ah-Ha” epiphanies that would be useful if future institutes are to be organized. Starting with that point, it is useful to note that, for all instructors and unanimously among the 19 participating students, the verdict was that they all would do it again if offered the opportunity.

The three instructors were basically satisfied with their delivery and the structure of the course, although Linda Ott felt that there should have been an introductory session to tie the quite varied policy reform presentations together. This also would have provided a forum, as noted, to discuss the role and meaning of “Transparency.”

In terms of student preparation and performance, there was general agreement that the technical background was adequate, but that English language fluency—particularly, again, spoken and informal idioms—was quite varied. Several students had studied in America or England, and their command of idiomatic spoken English was quite strong, but others were challenged. There was much activity in dictionaries during classes, both physical and computer-based, to look up words, phrases or metaphoric language. It was generally agreed that student participation in homework and exercises was adequate—some did (50-60%) and the rest did not, but did not make an issue of it. One approach to increasing participation would be to have a university accredited course offering; both King Banaian and Miles Light suggested that a one-unit credit with a university accreditation could be arranged. Generally, as Miles observed, *“Student performance was varied. Students who were interested in the content did well, while other students simply did nothing. Interestingly, I found that Mongolian students enjoy subtle competition—most students enjoyed solving puzzles if they could do it more quickly than the others.”*

**Logistics and arrangement.** The key for a successful institute depends as much on facilities as faculty and thoughtful curriculum design. In an inadequate setting or with insufficient equipment, even inspired teaching will not be sufficient to overcome the irritation of an inappropriate setting. The EPRC selected Mongolian Secret History Tourist Camp as a potential venue through an interview and tour for the facility and logistics.

The Institute of Finance and Economics of Ulaanbaatar, the only participating agency, volunteered 20 computers for the use of the institute. The project arranged for preparing the computers, setting up a local area network (LAN) which accommodated both course materials, exercises, and facilitated duplication onto CD-ROMs which each participant took with him/her at the end of the institute. Other necessary equipment and appliance was arranged to be available during the course to facilitate smooth proceeding for both the faculty and students.



### **SECTION III: A TEMPLATE FOR FUTURE INSTITUTES, CRITIQUE AND SUGGESTIONS FOR IMPROVEMENTS**

---

There are a plethora of steps for arranging a conference, and failure on any one of them can offset much thoughtful and sensible work. Consequently, it is a useful dictum to remember that it is best to be constantly reviewing and seeking the left-out detail. The administrative and logistical arrangements should be taken care of in a timely, efficient manner. The primary supporting arrangement for the instructional facility was, of course, the computers and the LAN which allowed the students to call up course readings, use software for the class exercises and compose short answer essays.

Below are summarized suggestions collected from the instructors' post-mortem. Rather than an extensive narrative, they are offered here as a list, which absent attribution, indicates their unanimous concurrence by the instructors and staff:

1. Keep the institute's length, course composition, daily schedule and venue (Mongolian Secret History Tourist Camp)
2. Arrange for a university accreditation of 1 unit with students enrolling in institute offered the option of auditing (certificate by USAID/EPRC) or credit (certificate by university as well as USAID/EPRC)
3. Better ventilation in classroom
4. Internet access for faculty
5. For policy-reform course (#3), Miles suggests getting high profile speakers, say a minister or senior official, perhaps in tandem with an EPRC staff member involved in the policy matter—eg, energy.
6. Miles also suggested that while the first course be a general interest, basic-skills-application (such as this year's project analysis), that the second course offering be split into two courses: "a choice between two specialized (job-specific) topics: one government targeted, the other business targeted. This will ensure that the students' time is not wasted..." This is an interesting, but potentially problematic approach: What if most students choose one course so that the other instructor is left with only a few adherents and feels deserted? This suggestion, while interesting, needs to be carefully thought out and discussed. King suggests, alternatively, that "Topics should be changed so as to encourage some of the attendees this year to return. Course topics should be carefully paired. There should be a mixture of more theoretical and more applied topics, as there was this year." Student suggested topics for future institutes are appended at the end of this report.
7. King emphasizes the need to ensure that only accepted students are allowed into the course. [NB: This year, three students who did not apply attended, replacing three who withdrew. The replacement attendees were not applicants.] This would be especially important if there is university accreditation.

As a checklist summary, the following provide a template for arrangements both key and mundane. Each is necessary and timely completion is necessary for a successful institute:

- **Curriculum selection.** In advance of the preparations for the institute, a listing of potential courses should be compiled. The institute task manager should have candidate instructors in mind to fit each of the proposed alternative courses. In particular, if there is a course that will be with certainty included (as was the case in this institute—Project Analysis), this should be articulated and explained. Other courses should be

proposed so that every participating institution has something that is particularly of value to their functions. These need to be readied and abstracted prior to discussions with participating agencies. Realism is crucial—the topics need to be amenable to delivery within a 15 hour total presentation (90 minutes each day for 10 days). Please refer to Annex G for the list of topics suggested by the students from Summer Ger Camp on Finance and Economics 2006.

- **Proposal for institute.** This should be circulated three months or more in advance of the institute. The proposal includes and follows a preliminary round of interviews with managers of participating institutions and reflects the issues and preferences deduced from these interviews. The proposal is key to a successful institute by ensuring that course topics and dates are of interest and attractive to these agencies.
- **Recruiting faculty.** The contracting of suitable faculty is crucial for the success of the institute, and this must be done sufficiently in advance for the preparation of the course which will be, generally, a hybrid—too short and specialized to be pulled out of a standard university course notes, but perhaps a subset of a standard course. In any case, recruiting must be done well in advance both for course preparation and to ensure delivery of selected textbooks.
- **Accreditation by a US university.** If this tack is pursued, it would be sensible to have the university home of one of the instructors be the accrediting institution. This will not only simplify the process, but provide a university employee to oversee whatever requisites the university will require for its certification.
- **Ordering of textbooks.** This can only be done once the institute's curriculum is settled and the faculty to teach it have been contracted since the faculty will choose the texts to match their course design. Still, it will be a challenge to do this sufficiently in advance to guarantee delivery to Ulaanbaatar in time for the institute.
- **Student applications for the institute.** The application must include decisions and evaluative methods for English language facility. The applications must be completed so that they can be distributed two or (better) three months in advance with a deadline of at least six weeks before starting date to allow ample time for evaluation and selection.
- **Evaluation forms.** Design and printing of course evaluations of the institute, procedures to ensure anonymity of responses, arrangements for doing evaluations right after end of each course or presentation and each of its main courses (see Annex C)
- **Completion certificates.** Particularly if the institute is to be accredited by a US university, the lead time on this will be significant. The university will want to approve the wording and design of the certificate as well as set standards for participants' educational preparation.
- **Hard copies of materials—advance.** Copies of course materials, readings and exercises to be recorded on individual CD-ROMs and made available on the LAN.
- **Hard copies of materials—during institute.** Hard copies of selected readings for students as directed by instructors.
- **Logistics arrangement.** Logistics, including venue, transportation, computers and others as necessary should be prepared following similar format used for the 2006 institute.

## **SECTION IV: CONCLUSION AND AFTERWORD**

---

There is little need for a summary, and none is offered here. However, it is a privilege to restate the evident conclusion that the 2006 USAID/EPRC Summer Finance and Economics Institute was a success. The classes were well designed and well delivered. The students concurred and enjoyed that rare mix of a relaxed time away from family and office while learning some useful material and techniques, meeting and networking with new colleagues and doing so in a delightful venue. As noted above (and verified in the evaluations, next page) all 19 students indicated a desire to attend again if the institute is offered next year. Whether repeat attendees are included or not, there is a very well satisfied set of participants ready to offer testimonials about the worth of the institute. For this success, the credit must go to all EPRC staff who lent their efforts and skills and to the instructors who designed and delivered great courses.







## ANNEX A: SYLLABI

---

### Course in trust and transparency in a market economy

A market economy works best when participants can trust their trading and investment partners to abide by contractual agreements. This trust is founded on enforcement of the rule of law and by transparency in the financial records of private sector and government activities. A further structural issue is the integration of the economy in terms of its formal enumerated sector and its informal and shadow sectors. In a democratic society, uniform enforcement of tax laws is a major element in the integration of these economic sectors and in creating a sense of fairness. Further, how the government allocates its expenditures fairly and openly also is a major element in creating a fair and just society. Generally, these characteristics are ensured by transparency—in governance and in the private sector. This course will explore the institutional arrangements that enforce and provide the structure for this transparency, of which some important ones are:

1. Size and distribution of the informal sector compared with the formal sector of Mongolia economy and the distribution of income;
2. Clarity and verifiable financial reporting in the private sector through accounting standards;
3. Simplicity and enforcement of tax laws;
4. Competitive procurement for government expenditures;
5. Public sector production—the Energy Sector;
6. Financial regulation—Anti-Money Laundering procedures;
7. Housing Finance—Institutions and Products to make home finance broadly accessible;

<u>Monday, July 24<sup>th</sup>:</u>	Informal Survey Household Sector (ISHS) Part 1, Mack Ott
<u>Tuesday, July 25<sup>th</sup>:</u>	ISHS, Part 2, Mack Ott
<u>Wednesday, July 26<sup>th</sup>:</u>	Procurement History, Linda Ott
<u>Thursday, July 27<sup>th</sup>:</u>	Energy, Russell Brown
<u>Friday, July 28<sup>th</sup>:</u>	Procurement Reform, Linda Ott
<u>Monday, July 31<sup>st</sup>:</u>	Tax and Accounting, Larry Jensen
<u>Tuesday, August 1<sup>st</sup>:</u>	Anti-Money Laundering, Mack Ott
<u>Wednesday, August 2<sup>nd</sup>:</u>	Housing Finance, Tim O’Neill
<u>Thursday, August 3<sup>rd</sup>:</u>	Roundtable on financial, tax and regulatory reforms impacting Mongolia.

### A. Course outlines of Mack Ott’s presentations

#### Monday, July 31<sup>st</sup> and Tuesday, August 1<sup>st</sup>: Mongolia’s Informal Economy

The scale of unmeasured economic activity in official adjustments to Mongolia’s GDP is about 11 percent, yet a massive survey of household finances and economic activity in 2004 yielded far larger estimates of the extent and level of unmeasured shadow and informal activity—on

the order of 45 to 50 percent. Further, the level of estimated informal activity was quite consistent with the estimated non-reporting of income by self-employed households—about 70 percent. This presentation will review the area and employment activity distributions of self-employed income and the distributions of income by households. Along with the discussions of income, measured and shadow, the presentation will involve students in generating income distributions using the survey data.

**Tuesday, August 8<sup>th</sup>: Anti Money Laundering**

Money Laundering is the transformation of income from illegal activities into clean money. This activity is countered by efforts in all advanced economies and by international treaties, called Anti Money-Laundering (AML). In order for Mongolia's banking and finance system to participate in international finance and to attract investment, it will be necessary to bring Mongolia's banking system efforts in AML up to international standards. This lecture will delineate the history and scope of the money laundering challenge and describe the required efforts, policies and individual activities at the level of banks and bank personnel required.

**Economic and financial policy transparency by team**

**Procurement history**

**Outline lecture I: Procurement History/Some Background**

**Wednesday, July 26<sup>th</sup>**

1:45 – 3:45 Procurement

1. 3 goals of regulating procurement
  - Equity
  - Integrity
  - Economy and efficiency
2. GOOD: “full and open competition”  
EVIL: from lack of “full and open competition”
3. High standard of probity –complete and confirmed integrity
4. Reputation/Negative perception of gov't
5. Goals have character of relatively clear injunctions that transform into rules
6. Development of Procurement Regulatory System

**Outline lecture II: Procurement Reform/Aspects and Challenges**

**Friday, July 28<sup>th</sup>**

1:45 – 3:45 Procurement

1. Aspects of Procurement/Acquisition Reform that are shaping Policy
  - Moving from buying goods to buying services
  - From Command & Control to Partnership relationship
  - From Paper-based to electronic/internet

2. Challenges:
  - Recruitment and development of the workforce
  - Changing requirements and budget processes
  - Reforming acquisition processes
  - Implement competitive sourcing
  - Strengthen supplier base
3. Waste, fraud and abuse make the news; good practices rarely get noticed. Not so much fraud as it was/is wasteful spending.
4. How government does business
  - Who does the buying?
  - What do they buy?
  - How do they buy?
  - From whom do they buy?
5. Acquisition with a big “A”
6. Meeting the challenges

#### **Papers and Handouts**

- “Foreign forces win over the US” Financial Times July 17, 2006
- “Keeping Up with Procurement” Government Executive July 01, 2006
- “Managing Program Performance in Government” SAS White Paper
- “Effectively Managing Professional Services Contracts: 12 Best Practices”
- “A Handbook on Fighting Corruption” Center for Democracy and Governance
- “USAID Anticorruption Strategy” January 2005
- “Performance-Based Service Acquisition” July 2003 OMP July 2003
- “Best Practices for Collecting and Using Current and Past Performance Information” OFPP/OMB May 2000

#### **B. Short course in cost–benefit analysis and financial regulation by Dr. King Banaian**

##### **Course objectives**

By the end of two weeks you should understand the following:

- That costs are always costs to someone, and so too are benefits. Students will be able to define costs and benefits in terms of referent groups as well as main actors.
- That costs over time should be discounted.
- How costs are measured for goods not sold in markets.
- The measurement of risk and its application in both cost-benefit analysis and in prudential supervision of financial institutions.
- How banks operate and the relationship between operations, profitability and risk.
- The use of cost-benefit analysis in banking, and the role of external risks in evaluating costs and benefits.

Throughout these notes, readings are from these texts:

- Harry Campbell and Richard Brown, *Benefit Cost Analysis: Financial and Economic Appraisal using Spreadsheets*. (Oxford, 2003). Hereinafter referred to as BCA.

- Edward Gramlich, *A Guide to Benefit-Cost Analysis, 2<sup>nd</sup> Edition*. (Prentice-Hall, 1990). Hereinafter referred to as Gramlich.
- Jeff Madura, *Financial Markets and Institutions, 7<sup>th</sup> Edition*. (Thompson/SouthWestern, 2007.)

## Daily outline

### Day 1. Costs and benefits. Using spreadsheets for analysis.

Covers BCA Chapter 1, parts of Chapters 2-6 (students should only skim), and Gramlich, Chapter 2. It's also worth reading Chapters 1 and 6 of James Buchanan's short book Cost and Choice. This is available online as an eBook at [http://oll.libertyfund.org/EBooks/Buchanan\\_0102.06.pdf](http://oll.libertyfund.org/EBooks/Buchanan_0102.06.pdf) if you wish to read it for free. The purpose of this lecture is twofold: An understanding of the concepts of costs and benefits, along with the understanding their subjective nature. Also, some preliminary work on the computers to illustrate how spreadsheets are used for cost benefit analysis. The first case (Jamaica Highway 2005) will be distributed.

### Day 2. The fundamentals of cost-benefit analysis.

Gramlich, Chapters 3-5, and BCA, Chapter 7. You will learn different standards of measuring costs and benefits, and decision rules for whether to accept or reject a project (Pareto, Samuelson-Hicks-Kaldor) and actual outcomes from public choice. We will review the welfare economics concepts of producer and consumer surplus. If government actions change the prices consumers and producers face, how do we account for this? There will be no lab time today.

### Day 3. Discounting.

Gramlich, Chapter 6, BCA Chapter 10 and review BCA Chapters 2-4. We will discuss the concepts of internal rates of return, social discount rates, and the projection of costs and benefits over time. There will be several examples using the spreadsheets today.

### Day 4. Distributional concerns.

BCA Chapter 11 and Gramlich Chapter 7. Is a unit of benefit worth the same to two different people? Should we be concerned about the distribution of benefits and costs on wealthy versus impoverished families? How would we account for that? We can analyze this by looking at Gini coefficients and Lorenz curves, and addressing multiple referent groups.

### Day 5. Measuring costs and benefits for unpriced goods.

BCA Chapter 12 and Gramlich, Chapter 12. Not all goods are traded in markets, and therefore we have to impute values for their costs and benefits. This is particularly true of environmental costs and benefits. We use the lecture period today to use study alternative values to be placed on non-market activities.

### Day 6. Risk and Cost-Benefit Analysis.

BCA Chapter 9. We will begin by reviewing the answers to the Jamaica Highway case. The second case will be handed out. We will then discuss the incorporation of risk into analyses of benefits and costs. How does one represent uncertainty? How can we assess the probability that a project we've decided to undertake may not give us the costs and benefits we expected?

### Day 7. Introduction to risk analysis of financial instruments.

Madura, Chapters 7 and 8. How does one evaluate the riskiness of a bond, or a set of bonds, or a whole bank's portfolio? Today we discuss calculations of a bank's return and risk from

interest rate movements on its portfolio. Examples will be provided to show how one calculates risk exposure by looking at duration and elasticity.

**Day 8. Bank operations and management.**

Madura, Chapters 17 and 19. We begin today by understanding the sources and uses of funds that banks have in order to make profits. It is only in this context that we can determine the costs and benefits of regulation. We then turn to how banks manage liquidity and risk so as to understand how banks will create possible issues for regulation.

**Day 9. Bank regulation.**

Madura, Chapters 18 and 20. Today we take up differences in banking regulation between industrialized and developing economies. Bank performance is examined to understand the tradeoff between regulation and profitability, and the “moral hazard” of banking.

**Day 10. Other regulatory issues.**

The United Kingdom has recently adopted explicit benefit cost analysis to examine whether the regulation of financial services there are efficient. In June 2006 the Financial Services Authority released a series of studies of the costs and benefits of financial regulation. We will examine two of their papers. We will also read a paper by Raghuram Rajan of the IMF on whether financial markets are now riskier due to globalization, and the implications for financial markets. These papers will be distributed to you well before today’s class.

**C. Open economy national income accounts by Dr. Miles K. Light**

**Course description**

This course investigates the National Income Accounts from an economic viewpoint. The NIA are used to identify and compare economic performance across countries and over time, but the actual construction of these accounts may differ substantially when applied to different countries. During this two week course, we will investigate how different national accounting methods may produce different estimates for commonly-used indicators. We will learn how government budget and monetary policy can affect the distribution of income and how international capital flows alter the saving-investment balance. Issues of the underground economy—shadow and informal—will be addressed. The course will review the generally-accepted international accounting standards (SNA93) and how this standard is changing to address economic developments. The most commonly-discussed developments are: international trade and the emerging *services* sector; the non-observed economy; internet commerce; and intellectual property rights.

Then the course will review the social accounting matrix (SAM) as a means to provide balance and structure to the national accounts. We will review basic social accounting methodology and identify how a SAM is used for economic policy. Particular use for the SAM is to produce detailed economic models. We will develop a SAM for Mongolia and use this as an underlying dataset for economic analysis. Depending upon participant’s interest, some related topics may be briefly discussed. These special topics may include Computable General Equilibrium (CGE) models, development policy and national accounting, green-accounting, and special cases for formerly-planned economies.

**Course schedule**

**Monday, July 24<sup>th</sup>: Introduction to National Income Accounting.**

- Brief overview of the course
- Description of reading materials (the Course Text as well as selected papers)

- Basic Concepts and Variables of the National Accounts
- Income and Expenditure Balance

**Tuesday, July 25<sup>th</sup>: National Accounts Indicators: Construction and Uses (Chapter 2)**

- Taxonomy of Economic Performance Indicators
- Chapter 2: Production Account: Goods and Services
  - Application to Mongolia's SUT
- Measurement Issues and Challenges
  - Livestock Output Example
  - Wholesale and Retail services output
  - Financial intermediation

**Wednesday, July 26<sup>th</sup>: Other Accounts (Chapter 3, 4, 5)**

- Income, Capital, and Financial Accounts
- The "Rest of World" Account (Chapter 6)
- Price and Volume Measures in the National Accounts (Chapter 13)

**Thursday, July 27<sup>th</sup>: SNA Framework for the Total Economy (Chapter 8)**

- Supply and Use Tables (Chapter 10)

**Friday, July 28<sup>th</sup>: Social Accounting Matrices (SAM)**

- Relationship between National Accounts, Supply/Use Tables, and Social Accounting Matrices
- Simple SAM examples
- The "Macro-SAM" for Mongolia

**Monday, July 31<sup>st</sup>: National and Social Accounting in Economic Analysis (Selected papers)**

- Industrial Output and Value-Added Shares: Identify the relationship between production activities and the income structure for an economy
- SAM Uses:
  - Computable General Equilibrium models
  - Multiplier Models
  - Government policy impact using the SAM

**Tuesday, August 1<sup>st</sup>: Emerging Economic Concepts: Part I**

- National Accounts and the Non-Observed Economy (NOE Handbook)
- Best practice for reporting the NOE in the National Accounts
- NOE estimates for Mongolia

**Wednesday, August 2<sup>nd</sup>: Emerging Economic Concepts: Part II**

- Goods versus Services: Economic productivity and the *New Trade Theory*
- The role of Government in the Economy:
  - Government Employment, Transfers, and Consumption
  - Taxation and transfers in the economy
- Household Consumption and "Micro-simulation"
  - How Poverty is related to the National Accounts and how development organizations reconcile the "macro" and "micro" accounts when measuring poverty and poverty reduction.

**Thursday, August 3<sup>rd</sup>: Selected Topics**

- This section is left open. The time can be spent to investigate a previous topic in-depth, or to introduce new topics. How this time is spent will depend upon participant's interest.

**Friday, August 4<sup>th</sup>: Summary, Evaluation, and Certification**

- Friday will be used to formally close the Summer Institute Courses. No materials will be presented.



**ANNEX B: LIST OF ATTENDED STUDENTS**

---



**ANNEX B: LIST OF ATTENDED STUDENTS**

No	Name	Gender	Private/public sector	Current job
1	Altanchimeg Alag	F	Bank of Mongolia	Supervisor
2	Ariunbold Shagdar	M	National Statistical Office of Mongolia	Specialist
3	Bajuna Jargalsaikhan	M	MobiCom Corporation	Economist
4	Bayardavaa Bayarsaikhan	M	Mongol Bank	Economist
5	Bolor Tserendorj	F	XACBank	Risk Manager
6	Bolortuya Enkhtaiwan	F	Bank of Mongolia	Supervisor
7	Burentsogt Sodov	M	Bank of Mongolia	Supervisor
8	Byambaa Baatar	M	Bank of Mongolia	Supervisor
9	Enerelt Batbold	M	Ministry of Finance	Specialist
10	Gantulga Garamdorj	M	The Institute of Finance and Economics	Teacher
11	Oyun Dorjsuren	F	The Institute of Finance and Economics	Teacher
12	Oyungerel Tudev	F	The Institute of Finance and Economics	Teacher
13	Naranchimeg Chimedravdan	F	The Institute of Finance and Economics	Teacher
14	Oyun-Erdene Sandag	F	National Statistical Office of Mongolia	Officer
15	Shinebayar Dashnyam	F	"Newcom" LLC	Portfolio Manager
16	Odonchimeg Chuluun	F	"Newcom Property" LLC	Chief accountant
17	Oyumaa Sereejav	F	"Eznis Airways" LLC	Chief accountant
18	Zorigtbat Tseveenjav	M	Ministry of Finance	Specialist
19	Solongo Ayush	F	Mercy Corps Mongolia	Program Officer



**ANNEX C: COURSE AND INSTRUCTOR EVALUATION**

---



## ANNEX C: COURSE AND INSTRUCTOR EVALUATIONS

5=Excellent; 1=Poor

Total = 19 participants

1 Would you attend the next course if organized next time? **Yes 19** No

### 2 General Evaluation

Instructor	5	4	3	2	1	N/A		
Met your expectations	8	10					18	4.4
Timing was convenient	12	5	1	1			19	4.2
Location was convenient	14	3	1		1		19	4.4
Advertising and selection	11	5	2				18	4.3
Facilities	13	3	2				18	4.5
Overall evaluation	10	8	1				19	<b>4.4</b>

### 3 Miles Light, Course on Open economy National Income Accounts

Instructor	5	4	3	2	1	N/A		
Effectiveness of presentation	9	4	6				19	4.2
Met course objectives	10	6	2	1			19	4.3
Handouts	12	6		1			19	4.5
Exercises	10	7	1	1			19	4.4
Content was current	11	7		1			19	4.5
Content was relevant to my work	5	9	4	1			19	3.9
Pace	9	8	1	1			19	4.3
Organization of materials	9	6	4				19	4.3
Use of in-class materials	10	5	4				19	4.3
Overall	7	10	2				19	4.3

4.3

**4 King Banaian, Course on Project Analysis and Financial Institutions**

Instructor	5	4	3	2	1	N/A
Effectiveness of presentation	17	1	1			
Met course objectives	15	4				
Handouts	18	1				
Exercises	18	1				
Content was current	16	3				
Content was relevant to my work	13	6				
Pace	9	7	2	1		
Organization of materials	17	2				
Use of in-class materials	18	1				
Overall	17	2				

19 4.8

19 4.8

19 4.9

19 4.9

19 4.8

19 4.7

19 4.3

19 4.9

19 4.9

19 4.9

4.8

**5 Mack Ott, Presentation on Anti-Money Laundering**

Instructor	5	4	3	2	1	N/A
Effectiveness of presentation	9	8	1			
Met course objectives	12	5	1			
Content was current	12	3	1	1		
Content was relevant to my work	7	7	3	1		
Pace	7	8	3			
Overall	11	6	1			

18 4.4

18 4.6

17 4.5

18 4.1

18 4.2

18 4.6

4.4

**6 Mack Ott, Presentation on Informal Sector of the Mongolian Economy**

Instructor	5	4	3	2	1	N/A
Effectiveness of presentation	2	12	5			
Met course objectives	4	8	5	1		

19 3.8

18 3.8

Content was current	5	10	3	1			19	4.0
Content was relevant to my work	4	6	5	4			19	3.5
Pace	4	7	8				19	3.8
Overall	3	10	6				19	3.8
								<b>3.8</b>

### 7 Russell Brown, Presentation on Energy Policy

Instructor	5	4	3	2	1	N/A		
Effectiveness of presentation	9	6	4				19	4.3
Met course objectives	8	6	4	1			19	4.1
Content was current	8	9		2			19	4.2
Content was relevant to my work	3	10	4	1			18	3.8
Pace	9	3	4	2	1		19	3.9
Overall	6	7	4	1			18	4.0
								<b>4.1</b>

### 8 Larry Jensen, Presentation on Tax Reform and Accounting

Instructor	5	4	3	2	1	N/A		
Effectiveness of presentation	4	5	10	1	1		21	3.5
Met course objectives	4	6	8	1	1		20	3.6
Content was current	6	8	5	2			21	3.9
Content was relevant to my work	6	9	3	3			21	3.9
Pace	3	6	6	6			21	3.3
Overall	2	4	13	2			21	3.3
								<b>3.7</b>

### 9 Tim O'Neill, Presentation on Housing Finance Policy

Instructor	5	4	3	2	1	N/A		
Effectiveness of presentation	2	10	5	2			19	3.6
Met course objectives	4	10	4	1			19	3.9

Content was current	5	11	3				19	4.1
Content was relevant to my work	6	7	3	2		1	19	3.7
Pace	2	8	7	1	1		19	3.5
Overall	2	7	9	1			19	3.5
								<b>3.7</b>

**10 Linda Ott, Presentation on Government Procurement Practices**

Instructor	5	4	3	2	1	N/A		
Effectiveness of presentation	9	9	1				19	4.4
Met course objectives	5	14					19	4.3
Content was current	5	13	1				19	4.2
Content was relevant to my work	4	5	6	1	1	1	18	3.4
Pace	6	6	7				19	3.9
Overall	5	11	3				19	4.1
								<b>4.1</b>

**11 Round table**

Instructors	5	4	3	2	1	N/A		
Met course objectives	10	8	1				19	4.5
Content was current	11	7	1				19	4.5
Content was relevant to my work	9	7	3				19	4.3
Pace	7	6	6				19	4.1
Overall	6	11	2				19	4.2
								<b>4.3</b>

**ANNEX D: POST-MORTEM REPORT BY KING BANAIAN**

---



## **ANNEX D: POST-MORTEM REPORT BY KING BANAIAN**

---

Per my terms of reference as instructor on project analysis and financial institutions, I am requested to provide information in five areas.

### **A. Own evaluation of course experience and satisfaction with own delivery**

Course materials were delivered on time, including a two-page outline of the course that assisted with marketing the course. Students were handed a case on the first day for their work over the first week of the course. Some worked together almost at once; some chose to work alone. Other materials were delivered before the course via CD; all materials were ready for delivery on the second Tuesday of the class and were delivered by the end of the course on Friday.

I spent half of a day on the Sunday between the two weeks in the classroom with students seeking help on the assignment. "Office hours" for the course were held daily.

### **B. Evaluation of students' preparation**

Students came with a wide variety of experiences, but I believe all were adequately prepared to work on the materials provided, in terms of their academic and professional preparation. What little mathematics was used by me, they understood quite well. I was not as convinced that students were prepared to listen to English-language instruction; it may be also that their reading ability in English was not sufficient to grasp the materials. Thus some students felt they could not participate in discussions.

My previous teaching assignments with post-Soviet students had taught me that we should teach basic principles for even a group this advanced. I believe I was right to do that.

Some students were sent to the course as substitutes for those who had cleared the application process. We thus had almost no information on their abilities.

### **C. Evaluation of student performance**

There was a wide range of performances. Some students worked together and had a fine experience as a result. There was a tendency to let a few in the group carry most of the work themselves. A problem arises when supervisors and their group come together; work is tasked among them as if they were in the work environment rather than in a teaching environment. This can lead to the supervisors relying on others to learn the material for them. We did not have adequate checks on this behavior. Indeed, some students chose not to turn in any work to me, and there was no means by which I could impose some discipline on that behavior.

### **D. Evaluation of support and venue**

The venue, Mongolian Secret History Tourist Camp, had several advantages. The arrangement of the gers, that required sharing space between participants, helped improve camaraderie and developed business contacts among the participants. The camp had enough activities available to allow students a pleasant weekend between the two weeks of the institute. I would not suggest a longer period at this place unless arrangements could be made to allow those who wished to travel back to Ulaanbaatar.

The room's computer equipment was adequate. The three concerns I had involved the infrastructure. First, the room in which we taught needed ventilation and cooling. Afternoon temperatures made the room difficult to work in, with students becoming quite drowsy. Fans would greatly help. Second, the electrical supply would intermittently cut out, causing

computers to spontaneously re-boot. UPS systems or a reliable back-up generator should be considered for the future. Lastly, internet access should be provided somewhere. I would prefer it not be at the desks of the participants during instructional time – students would check email rather than listen to instructors – but it is unreasonable to expect that professionals could afford to be outside of electronic mail contact with the outside world for as long a period.

I cannot say enough how much I enjoyed working with the Mongolia EPRC staff and the work they did to make this program successful. The computer equipment set up by Altansukh and operated by Gundalai, the on-site management by Zoljargal, and the office work of Uurtsaikh, Oyuntsetseg, Khaliun and Munkhzul were all vital to creating a successful institute. My sincerest thanks to them all.

#### **E. Suggestions for improved summer ger camp design for 2007**

I would keep the institute at the same length, and I would favor returning to the Camp we used subject to my requests for improvements as enumerated in item D. I also think the daily schedule allowed variation of materials and kept the participants' days filled but not too much so.

There should be careful consideration given to providing incentives for students to work harder and to work independently for best learning. One suggestion floated by the instructors during the institute was to create a one-credit course (or a series of them) that students could receive from an American university. I argue that students may sign up either for credit or to audit such a course. Auditors could come and receive all materials, and they may choose or not to submit assignments for review by the instructor. Those taking the course for credit would sign a contract in advance acknowledging their intention and getting their agreement to work alone and complete all assignments. The latter group would be graded on their work, though I would suggest course grades be only awarded as pass-fail. The former would receive no grades and no credit, but would still get feedback for their work.

I would sell students on the idea that the institute provides for great networking. Students told us this was a great advantage they did not consider when they signed up for the course. We might get more applicants if we did.

I would not allow substitutions of students for those who went through the application process, or else the application has no meaning. This would be doubly true if we offer the courses for university credit.

Students will have made suggestions for topics they would like next year. Topics should be changed so as to encourage some of the attendees this year to return. Course topics should be carefully paired. There should be a mixture of more theoretical and more applied topics, as there was this year. I believe that, and the good chemistry among the students (encouraged by our local staff and the instructors) were the main ingredients in making the 2006 Institute a success.

**ANNEX E: POST-MORTEM REPORT BY MILES K. LIGHT**

---



## **ANNEX E: POST-MORTEM REPORT BY MILES K. LIGHT**

---

### **A. Own evaluation of course experience and satisfaction with own delivery**

Overall course experience was positive. The course presents a unique opportunity to cover materials that are not part of a typical economics curriculum and to examine traditional economic issues from new viewpoints. While teaching “National Income Accounting”, it was possible to view the standard economic indicators (GDP, CPI, Income) through the lens of a developing economy with less than perfect monitoring. This made potentially boring content more interesting and important.

Course materials were presented in a clear and straightforward manner, lecture notes and materials were available for review immediately after lecture each day. Each lecture period was complimented by a brief, targeted study assignment. Lecture content followed the accompanying text closely, so that students with language difficulties can reference written text more easily. Content relevance was improved by applying techniques learned in class directly to current events in the host country.

Each day began with questions/answers related to the previous lecture and each day finished with a summary of lecture content, questions, and a brief homework assignment. Additional tutoring was provided each afternoon for 60-90 minutes. During this time, students asked for help on assignments, for advice related to work and school, and for general review of course content.

### **B. Evaluation of students' preparation**

The pre-requisite for my course was Economics 101, so that specific content preparation was unnecessary. Basic English preparation was highly-variable. Some students were fluent in English while others barely understood anything. This presented a challenging tradeoff: fluent speakers became bored when terminology and speech was simplified for non-fluent speakers; and non-fluent speakers would “shut-down” when the course content and terminology became too challenging. Although the students did not need specific preparation, they could have been better “oriented”. Incoming students didn’t know what would be expected of them, and they didn’t know what to expect from the classes. A well-oriented incoming class may have led to improved teacher-student interaction.

### **C. Evaluation of student performance**

Student performance was varied. Students who were interested in the content did well, while other students simply did nothing. Interestingly, I found that Mongolian students enjoy subtle competition – most students enjoyed solving simple puzzles if they could do it more quickly than the others. For many students, perhaps 80% of them, the course content was not directly related to their work. For example, employees of a financial holdings company may not have found “Social Accounting Matrix” building to be a relevant skill in their daily workload – so less effort was made by those students.

### **D. Evaluation of support and venue**

First, please see King Banaian’s comments. I share his feelings regarding the Secret History Camp, the teaching space, the Ger-Layout, the internet-access. The high-quality support by Zoljargal, Altansukh, and Gundele cannot be overstated. These EPRC staff members worked tirelessly, and their efforts translated directly into a more enjoyable and effective environment for the instructors as well as the students.

For a two-week intensive session, the venue was ideal. Lack of cellular coverage and a good distance to the city ensured that students focused upon their studies.

#### **E. Suggestions for improved summer ger camp design for 2007**

First, improve the status of the Ger Camp, so that Mongolia's future leaders are more eager to attend. The easiest way to do this is to enlist marquee-name speakers for the "topical" (3<sup>rd</sup>) course. I would suggest the Prime Minister, large foreign investors (Mining and other), the head of the World Bank or IMF, and perhaps the Minister of Finance as speakers for the third session. With sufficient advanced planning, I believe it's possible to enlist these types of speakers.

A complimentary approach is to offer University Credit from an accredited school. The benefits and costs related to this strategy are well-articulated in the other instructor's reports, and I agree with their sentiments. If either or both of these strategies is pursued, this will raise the candor of the course, present better networking opportunities, and enlist more highly-skilled students.

Second, there exists a divisive and inherent conflict of interest between disparate student objectives and course content. Students from businesses and banking have fundamentally different objectives than students from the government arena, and special topics that are exciting to one group will be uninteresting (time-wasting) to the other group. To rectify this problem, I suggest the following: the first course develops basic skills that are common to all participants – this course will feel more like a typical university course. For the second course, offer a choice between two specialized (job-specific) topics: one government-targeted, the other business-targeted. This will ensure that students' time is not wasted. The final course would remain a topical class, but with high-level debate related to current events, presented by marquee speakers. Student evaluations are typically lower for special-topics classes than "general topic" classes because some students feel like their time has been wasted, so they give the course the lowest possible grades. One or two angry student can kill the overall average for these evaluations. The business/government tradeoff can be avoided by splitting the second course and tailoring the curriculum more tightly to student needs.

**ANNEX F: POST-MORTEM REPORT BY LINDA OTT**

---



## **ANNEX F: POST-MORTEM REPORT BY LINDA OTT**

---

Following the prescribed template, I offer my comments and thoughts on the course on Trust and Transparency in Government.

### **A. Own evaluation of course experience and satisfaction with own delivery**

Overall the course went well. I had some concern about how tight the course would be since the lecturers were coming from different expertise and backgrounds to discuss reform issues and topics of interest; making sure that the theme was clear to the students and that the course had relevance for them, but it held together. The topics were well chosen, with a different expert presenting for each session. Presentations were made on tax reform, housing reform, energy, the informal survey on households, anti-money laundering, and procurement reforms, interjecting Mongolia's position and progress as much as possible. The presenters were well prepared and kept the presentations plus questions to 90 minutes as planned.

Student interest in the topics varied. In general students asked questions and offered comments during the question and answer periods at the end of each presentation. Most speakers had PowerPoint presentations; the PowerPoints provided an outline for the students and helped them identify unfamiliar English words and phrases.

The round table was a highlight of the course. The students offered up A LOT of questions and were engaged throughout the time. In fact, we were at the end of the 90 minute session and had 6-8 student questions that we were not able to get to and they voted to take a coffee break and come back to continue the round table for an additional 40 minutes. It would be great for future summer institutes to have some Mongolian 'celebrities' from the ministries or banks to participate in the round table.

For future reference I would make a few changes to the third course.

1. The overall theme should be introduced in the first session to provide an orientation for the students. As we planned the course, we went directly into one of the presentations without any discussion on transparency and trust and why and how it has relevance to the students and their work.
2. A brief orientation to the next day's speaker and session should conclude each day's presentation. If an article or paper is available for the upcoming presenter's topic, it should be made available the previous day for the students to review prior to the session.
3. I would reduce the length of the presentation in the afternoon session to 60-70 minutes with the option of extending if there was interest (and I would keep the third course as the last offering in the day). I think the students were pretty full of information at that point and, depending on if the topic was of interest to them and how much content they were managing from the previous two classes, students needed encouragement to ask questions or offer comments. Some days I concluded that they were just tired and wanted to retreat for the day.

### **B. Evaluation of students' preparation**

There was no pre-assigned reading, no required preparation work and no homework associated with the third course. Students offered feedback on the importance of some of the topics for the course, and also commented to the EPRC team that it was good for them to learn more about the reforms and hot topics for Mongolia. A key challenge was the topic-specific jargon or terminology. Because the presenters changed each day, students did not get much

opportunity to interact with the presenters or to engage in follow-on conversations, so it was difficult for them to relate or warm up to each presenter. Also, language was at times a problem since some of the students had limited written or spoken English capability.

### **C. Evaluation of student performance**

Student performance was varied. Some students viewed the third session as a way to learn more about the reforms and policy changes throughout Mongolia's government, some students were eager to get information about events in Mongolia that might impact their future. Some basically were either tired, not interested, or language-challenged and not able to keep up with the presentation.

### **D. Evaluation of support and venue**

I agree with King's and Miles' comments on the Secret History Camp, the teaching space, the Ger-Layout, and the internet access. Zoljargal, Altansukh, and Gundalai were amazing support. The EPRC staff members who supported from Ulaanbaatar were dedicated to making the summer institute a success; as a result, they were an important factor in the instructors not having to sweat the details. I would like to add that the level of support was appropriate—not too much and not too little.

The daily debriefs for the EPRC on-site team were good. We discussed terminology and English figures of speech that went over the students' heads at times, and each day worked on ways to make the camp experience for the students positive and rewarding. It was a good chance for the instructors to see where there was opportunity to tie in information from one class to the next, and to make sure we were balancing the workload for the students. It was also just good for us all to stop together and reflect on the day and look forward to the next day's schedule.

Also, the weekend activities were structured enough that students were kept busy yet had ample opportunity to relax and socialize. Zoljargal did a great job with the social details throughout the entire two weeks, which was good for bonding, for morale, and for camaraderie.

The two-week length was appropriate. It was good that the location was remote enough that students were not concerned too much with the work they were missing. They had access to the lodge phone to receive important messages, but general contact was limited. It would be nice to offer access to the internet on a limited basis for students and instructors to check emails in the evenings; again, not during breaks but for limited time in the evening.

### **E. Suggestions for improved summer ger camp design for 2007**

- Better screening of the participants to ensure applicability and language competency
- Table tents and seating chart for class so that instructors can master names of participants early on
- Round table celebrities that are recognized leaders in Mongolia and/or experts on topics
- Limited but available internet access
- Past participants' testimonials to advertise/market
- Keep topics and presentations Mongolia-focused and Mongolia-centric while presenting worldview perspective

**ANNEX G: STUDENT RECOMMENDATION FOR FUTURE SUMMER GER CAMP ON  
FINANCE AND ECONOMICS TOPICS**

---



## **ANNEX G: STUDENTS RECOMMENDATION FOR FUTURE SUMMER GER CAMP ON FINANCE AND ECONOMICS TOPICS**

---

1. Applied econometrics
2. Banking crisis
3. Concept of development economics
4. Corporate governance
5. Credit risk
6. Econometrics analysis
7. Economic forecasting, CGE model
8. Financial management
9. Fund management
10. HRM
11. Management
12. Marketing policy
13. Master sampling
14. More detailed methodology for evaluating commercial banks' risks
15. Private public
16. Public finance
17. Regression or time series analysis
18. Related softwares to economic analysis
19. Risk management
20. Sampling practice
21. Tendency & methodologies of international best practices related to banking sector supervision