Understanding the ‘Public and Private’ of Public and Private Partnerships

Luke Strongman, Open Polytechnic, Lower Hutt, New Zealand

ABSTRACT

Ideas about the public realm arose from the emergence of the nation-state and the theories of sovereignty – a reaction to the claims of unrestrained power by monarchs and parliaments to make law and possibly to free the private spheres from the encroaching power of the state (Horwitz 1982). This article explores the nature of this paradox in delineating and commenting on the meanings of the shared boundaries of the terms ‘public and private’ from within the context of the neoliberal critique of Keynesian policies. The public-private distinction is replete with variables such as ownership, impact on societal values, and openness to external influences within society (Perry and Rainey 1988). From an organisational communication perspective while Public and Private Partnerships may be efficient at achieving specific societal ends, they nevertheless may compromise important civic concepts in doing so.

Keywords: Financialism, Globalisation, Horwitz, Keynes, Nation-State, Neoliberalism, Public and Private Partnerships, Queiroz and Martinez

INTRODUCTION

This paper examines a set of issues to do with the conceptual implications of the alliance formed between government and private enterprise in the establishment of Public and Private Partnerships (or PPPs) as instruments of economic development. Following an historical introduction to the creation of the ‘public realm,’ the defining features of Public and Private Partnerships are described in terms of neoliberal reform, and types of Public and Private Partnerships are outlined with a brief description of factors for their success and limitations on their functioning. The paper critiques the broad-based ideological arguments for the contexts in which Public and Private Partnerships are considered useful as instruments for large scale development in infrastructure and organisational management. The impact that these alliances represent within the neoliberal reform of Keynesian economics is considered and recommendations are made for future research.

DOI: 10.4018/IJCESC.2015040102
THE CREATION OF THE ‘PUBLIC REALM’

The Anglo-Western ‘public realm’ arose from the extension of natural rights theories for the purpose of setting limits on state power in England. In English history, the Magna Carta contributed to the inception of democracy putting a bridle on sovereign power. Assented to by King John at Runnymede on 15 June 1215, the Magna Carta was drafted by the Archbishop of Canterbury, Stephen Langton, to promise church rights, protection from illegal imprisonment and limitations on crown payments between the King and a coterie of rebel barons, known as the ‘committee of twenty-five.’ In the mid-seventeenth century it gave cause for further restriction on feudal sovereignty whereby Sir William Coke who was a prominent member of the English ruling elite and the Puritan radical lawyer William Prynne sought to limit the power of the Stuarts by asserting the Magna Carta and the ancient constitution that pre-dated the monarch’s claim to accession (Williams, 2007). Indeed, Coke ventured “[t]he Magna Charta is such a fellow, that we will have no sovereign” (Goodhart, 1966, p. 68), while Prynne maintained that Parliament “. . . had an absolute sovereignty over laws themselves . . .” (1643). The ‘Glorious Revolution,’ of 1688 which brought about the overthrow of King James II of England by a body of English Parliamentarians with the Dutch stadtholder William III of Orange-Nassau (William of Orange). The Bill of Rights Act 1689 and the Act of Settlement 1700 legally subordinated monarchical power to representative Parliament and thereby created what may be described, at the risk of oxymoron, as a ‘Crown Republic.’ In a Crown Republic the monarch’s role is largely constitutional and he or she has little discretion over governance. Other Western nations besides England are also Crown Republics. People who are citizens of a Crown Republic have rights devolved through government agency and at common law.

In today’s Anglo-Western society, the notion of a ‘public realm’ is related mainly to concepts of sovereignty, citizenry (what it means to be a citizen of a sovereign state), governance, law and order, human rights, free speech, and issues of taxation. There is a public / private distinction in which taxation by the state was seen as a gift from a private donor -- the taxpayer -- arranged through parliament. But the commonplace meaning is that the people pay a tax on earnings to the government to ensure the maintenance of public services in the name of the sovereign polity. As a result of this donation to the public good, a taxpayer and citizen has a right to receive benefits in the form of law and order, health, education, to vote, to work, and other forms of state maintenance and protection that correspond to government policy but furthermore, and no less importantly, they have a right to critique and question public processes and developments within the bounds of reason and common-sense.

In English history during the nineteenth century there was an effort to privatise a host of common law doctrines which had previously served to regulate bargaining and trading, this need was brought about by the increasing industrialism of the Victorian era. The idea arose that contracts are an entirely private institution between consenting individuals and the state (Horwitz, 1982). Thus, the idea of public interest was formulated in proceduralist terms in the interest of group pluralism and as a way of distributing the benefits and responsibilities of democracy but also as a way of regulating the contractual obligations of private enterprise. Private interest was traditionally the preserve of landlords and landowners, with ‘collective’ land set aside for public use. But there has always been a tension between the public and private spheres of society, business and governance at least since the enlightenment era of the eighteenth century until the present day.

The historical debate was furthered after the Keynesian economics (named after John Maynard Keynes 1883-1946, who argued that aggregate demand would determine economic activity and government intervention was needed to moderate ‘boom and bust’ cycles) and the necessity for extensive rebuilding in Europe after the Second World War engendered public debate about
Educating Highly Able Students from an African Perspective: A Focus on Indigenous Cultures of Zimbabwe's Views of Giftedness
Constantine Ngara (2017). Handbook of Research on Social, Cultural, and Educational Considerations of Indigenous Knowledge in Developing Countries (pp. 161-180).
www.igi-global.com/chapter/educating-highly-able-students-from-an-african-perspective/167480?camid=4v1a

Child Marriages in Rural Zimbabwe
www.igi-global.com/article/child-marriages-in-rural-zimbabwe/204935?camid=4v1a