INTRODUCTION

Do PPP’s work? What and how have we been learning so far?

Graeme Hodge a, Carsten Greve b and Mhamed Biygautane c

a Faculty of Law, Monash University, Melbourne, Australia; b Department of Organization, Copenhagen Business School, Frederiksberg, Denmark; c Faculty of Law, Monash University, Melbourne, Australia

Decades of research later, what are public–private partnerships?

Both the public and private sectors have long histories, and governments have been mixing efforts with private businesses for thousands of years. So, despite our modern enthusiasm for private finance and partnerships, historians were right when they said, ‘there is nothing new about the mixing of public-private endeavors’ (Wettenhall 2005, 22). But if this is so, then why all the fuss from public management researchers such as ourselves, and why the clear global popularity of the public–private partnership (PPP) phrase nowadays? Just where does the modern story of PPP begin, and what is historically new? And ultimately, do PPPs work? There have been changes in linguistics and changes in terms of public policy, and both have shaped our assumptions on how to get the most from each sector. Each of these elements provides a context for today’s PPP research and both are central to ongoing debates about PPP success.

PPP linguistics

The linguistics of PPP began relatively recently historically speaking. The source of the ‘public–private partnership’ label appears to have been within the urban development and downtown renewal experience of the US from the 1960s (Bovaird 2010, 50). The phrase has come a long way since then, however. It has taken on several lives of its own and has described a vast array of activities. The bibliometric analysis of Marsilio, Cappellaro, and Cuccurullo (2011) even argues that PPP does not have a single meaning at its heart and that ‘there is no core PPP concept.’ Commentators such as Weihe (2005) and Hodge and Greve (2007) observe that the phrase PPP has been used across several families of activities ranging from health services and joint venture companies to the delivery of public infrastructure. One of today’s most popular and continually reinforced meanings is the provision of public infrastructure using both public and private efforts. It is a huge family on its own, and definitions abound. Vives, Benavides, and Paris (2010) at one extreme, for instance, argue that since almost all public infrastructure projects involve the public and private sectors in one way or another, ‘all projects are therefore a public-private partnership.’ Narrower
views are more helpful, however. The early seminal view of Van Ham and Koppenjan (2001) was that infrastructure PPPs could be defined as ‘cooperation between public-private actors in which they jointly develop products and services and share risks, costs and resources which are connected with these products and services.’ Garvin and Bosso (2008) further emphasized the multi-decade nature of the relationship and the specific use of private finance when they defined PPPs as ‘a long-term contractual arrangement between the public and private sectors where mutual benefits are sought and where ultimately (a) the private sector provides management and operating services and/or (b) puts private finance at risk.’ Hodge and Greve (2007) similarly noted the major characteristics of today’s infrastructure PPPs as the preference for private finance, complex bundled contracts through a consortium and new accountability and governance assumptions – all of which focus our attention on delivering infrastructure.

**Public policy changes**

The changes witnessed in terms of public policy have been fascinating. Of course, the possibility of using private finance for infrastructure projects such as toll roads goes back to Roman times in the west. And it has often played a significant role in our developmental history. de Vries (2013, 11), for example, describes the place of co-financing and private financing throughout the seventeenth and eighteenth centuries for the case of canals, land reclamation, and transport projects in the Netherlands and the UK. In France, private financing for public infrastructure has been employed for centuries with the French concession model for water supply being refined during the 1800s. And Roberts (2010) outlines the role played by private finance techniques to provide roads, canals, and railways in the early 1800s in the United States of America. There is clearly a rich history of private financing techniques as an important option for public infrastructure.

The 1990s, though, saw big changes in government attitudes towards delivering public infrastructure. In the UK, we witnessed the modern rebirth of the PPP idea. It was at this time that the option of using private finance in delivering public infrastructure was turned into a policy preference. The story has been often told. Johns Major’s Conservative government in 1992 proposed the Private Finance Initiative (PFI). The rationale was that the public funding of new infrastructure risked exceeding the national Public Sector Borrowing Requirement, so the Conservative government launched the idea that new infrastructure should be initially financed by private sector sources. The public sector would gain in that it got new infrastructure. The private sector would gain because it got new investment opportunities and was able to earn a profit if the projects came in on time and on budget. Perhaps, it also continued an earlier trend to privatize the activities of government, a policy for which the Conservatives were both renown and proud. Irrespective of whether the Government was unable or unwilling to use traditional delivery methods, two things were certain. Firstly, private financing provided a flexible technique which enabled government to overcome both the existing political paralysis and the frustrating public accounting constraints to deliver new infrastructure. And secondly, the adoption of the phrase ‘public–private partnership’ (PPP) instead of simply ‘private finance’ deals was a masterstroke of positive policy language. Privately financed infrastructure delivery was reborn both as PPP and as policy.

Greve and Hodge (2017) saw the modern life of PPPs as falling into four periods, as shown in Table 1. In the early period (1992–2001), the UK’s dominant PFI policy...
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<th>Period</th>
<th>PPP development</th>
<th>Concept of politics of PPPs</th>
<th>Policy context</th>
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<tr>
<td>1992–2001</td>
<td>PPP policy and projects occur first in the UK and Australia. UK adopts the Private Finance Initiative</td>
<td>Policy breakthrough, A grammar of multiple meanings (Linder 1999)</td>
<td>Expansionary times, infrastructure boom in countries where governments promise infrastructure prestige projects and improvements</td>
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<tr>
<td>Policy breakthrough</td>
<td></td>
<td></td>
<td>Focus on new infrastructure continues as part of economic boom</td>
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<td>2002–2007</td>
<td>Expansion of the PPP policy idea to new countries</td>
<td>Splintered logic (Flinders 2010)</td>
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<td>2008–2012</td>
<td>Global Financial Crisis halts PPP development</td>
<td>Logic of discipline and depoliticization (Roberts 2010), PPPs in turbulent times (Greve and Hodge 2013) Studies on performance of PPPs Studies on PPP accountability Critique of VfM consensus (Boardman and Vining 2010)</td>
<td>Global financial crisis stalls calls for new infrastructure. Some infrastructure plans scrapped Governments suffer financial loss, businesses go bankrupt in some countries</td>
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<td>2013–2017</td>
<td>Towards a global PPP policy agenda and broader infrastructure governance</td>
<td>International organizations’ PPP policies (Greve 2015) PPPs as part of mega-projects movement (Flyvbjerg 2014, Priemus and Van Wee 2013) 'Transplanting' PPPs as innovative policy tools in different contexts (Biygautane, Hodge, and Gerber 2016)</td>
<td>Post-GFC situation. Some countries attempt to use infrastructure projects to get the economy going Infrastructure governance is seen as part of renewed growth strategy by the European Commission and China – and several US states A framework of better infrastructure governance is presented by OECD</td>
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model was announced and demonstrated. The PPP policy idea then took off internationally during a period of positive economic growth and optimism (2002–2007), despite its splintered logic (Flinders 2010). The Global Financial Crisis, though, saw a period (2008–2012) in which governments rescued PPPs temporarily, and banks put the brakes on project financing. The reigning rationales of public policy ‘discipline’ and of private sector efficient risk taking were strongly questioned (Roberts 2010), and with previous project financing assumptions now shattered, new financing models and project delivery ideas emerged. More recently, we have entered an era of a globalised use of PPP policy ideas and language. The initial narrow conception of a western project delivery technique has thus now evolved into a global PPP policy agenda with a much broader meaning covering everything from economic development and infrastructure governance to multiple project delivery options.

Looking back, perhaps the UK saw the biggest policy shift of all. Privately financed infrastructure not only became a policy preference but indeed became ‘the only show in town’. If major infrastructure was to be delivered there, it had to be privately financed. Other governments around the world picked up both the PPP language and the PPP infrastructure delivery idea, but most were more circumspect about the extent to which major new infrastructure had to use this technique. Australia’s early adoption of the policy, for instance, was inspired by the UK experience, and the state of Victoria extended the private financing experiments it had already been holding throughout the late 1980s to early 1990s; PAEC (2006, 55). Their Partnerships Victoria framework, in turn, inspired yet others. Canada followed in the early 2000s in many of its provinces, with Quebec an early mover and British Columbia developing an ambitious programme. Again, though, different operating assumptions governed in these different countries. Some Australian states signed long-term infrastructure contracts which wholly employed private finance and put as much risk as possible onto the private partner, whilst others did not go this far. In Canada, many provinces signed contracts which required large public sector financing components and for which only low to medium levels of risk were at stake. And elsewhere, a range of other contractual arrangements were documented under the PPP banner.

Over time, then, it became progressively clearer that there was no one single global ‘PPP model’ despite the advertising and attractive consulting brochures. Whilst we all admired the idealistic aim of getting the best from each sector, there were in reality as many different ways to structure a long-term infrastructure contract as there were ways to write contracts. And these contracts were all changing and improving as we learned to do things better through time. This resulted in a moving target for those interested in understanding and assessing PPP. It also had a more profound implication. It was becoming increasingly apparent that, like democracy or art, PPP was ‘an essentially contested notion’, borrowing from the philosopher Gallie (1956). It is a phenomenon where we can all quickly agree it is desirable in a philosophical or ideal sense, but where we all also have very different opinions as to what the local conception should be. The ambiguity of PPP as both a language game and a governance tool (Hodge and Greve 2007) continues today, as multilateral institutions such as the OECD, the World Bank, Asian Development Bank, the International Finance Corporation, ASEAN, and the European Commission all push the broad PPP ideal (Greve 2015). The recent PPP Knowledge Lab established by the World Bank testifies to this development.
What all this means is that the simple sounding question ‘Do PPPs work?’ is not simple at all to answer. The question is inherently ambiguous. What ‘works’ in what sense, and for whom? Such ambiguities, though, have not dampened the enthusiasm of either practitioners or researchers. Our interest in long-term infrastructure contracts has continued unabated. How have these changes in language and policy shaped our assumptions on how to get the most from both sectors? It is to this question that we now turn.

**Getting the best from both sectors**

Given the preceding context, and noting the differing approaches in different jurisdictions, can we discern any general lessons? Is an overarching ‘meta-view’ possible here? The primary managerial assumptions underpinning New Public Management ideas always fitted the PPP agenda like a glove: the adoption of private sector techniques and market competition; stronger contracts; better performance measurements; formalized objectives; detailed output specifications, and an outcomes focus. All of this too was to be driven by a private finance urgency and accountability which would inevitably lead to better performance. The more recent arrival of New Public Governance (Osborne 2010) and its focus on relational aspects broadened our view, but we remained transfixed by the PPP ideal.

More broadly, too, the move towards long-term PPP infrastructure contracts was born out of a powerful ethos of prioritizing the efficient use of capital. It was also born, putting it simply, out of a ‘deep skepticism about the reliability of democratic processes... to make decisions that would serve the long-term public interest’ as Roberts (2010, 80) put it. Discipline was needed, backed by the logic of the efficient market hypothesis and capital asset pricing models.

But PPPs were equally always as political a tool as they were a technical tool. So, whilst we might construe them as part of the economic rationalism project, they had long shown a huge overlay of democratic attributes and risks as well. So, as we look back to gain these meta-insights, we might ask what really drove the rise and rise of PPPs? To us, two components dominated the idea of getting private finance into the infrastructure logic from the perspective of governments around the globe (Hodge and Greve 2017a):

1. Private finance is needed because public finance is unavailable or politically unattractive in meeting government’s ambition in infrastructure policy.
2. Private finance provides the private sector with an incentive to become engaged in public infrastructure projects and is a way of securing projects efficiently for the whole of their life, as well as on-time and on-budget.

The first of these two formal rationales simply recognizes that governments may have huge ambitions to develop new infrastructure, but either do not have the means to finance these projects or be unwilling to take up loans themselves. Governments turn to the private sector to provide private finance. In the European Union, for instance, government debt cannot currently be higher than 3 per cent of GDP (OECD 2008, 45). Governments may also not have the institutional arrangements readily in place to implement projects through state-owned enterprises and use public funding. Alternatively, governments may wish to limit public sector debt as
a policy aim, and hence, by implication, prefer private-sector financing in principle. Whether borrowing from banks or from say, pension funds, private finance comes at a higher interest rate than government borrowings, however, and this raises many issues as policy decisions are made, projects are evaluated, and contracts are put in place. These issues include matters such as the risk profiles of the investments themselves, the rate of return gained by private investors relative to the risks taken, and the discount rate used when evaluating alternative delivery options. Such matters have occupied the literature on private finance deals for some time, and fierce debates continue as to what kinds of deals government are getting into and their relative efficacy.

The second of these two rationales for using private finance is that it provides stronger incentives to have projects delivered on time and to the allocated budget, compared with traditional ways of delivering projects. If private investors have put money in a project, so the argument goes, they want to see a return on their investment, and they will be vitally interested in delivering the promised piece of infrastructure. And when the private sector becomes engaged in financing as well as delivering a PPP project, they will provide greater discipline and focus on getting the job done efficiently and according to specification. The logic is that the private sector is more able and more capable of meeting a tighter project time schedule than under traditional arrangements. As well, having signed up to a long-term legal contract, this will shield against unwanted political influence in project details. In short, these all ensure a greater focus on effective delivery. A crucial element in PPP delivery is also the matter of risk-sharing, and another belief is that the use of private finance encourages both discussion about who is to take on each type of risk over the life of the project and clarity as to the precise agreement reached. The last element of logic is the simple fact that PPPs enable the public sector to tap into private sector expertise from early conception through to lifetime operation.

These various logics have an eerie parallel to the earlier logic behind Thatcher’s privatisation policy. The broad policy promise was for better and more efficient real-world services, but with huge financial interests in the background the empirical reality was that the finance industry was probably more eager for bankable transactions. Indeed, looking back to the end of the twentieth century, it was as if government itself was being reconstructed to meet the needs of a globalized economy as Roberts (2010) remarked. We sought to constrain elected officials and citizens, ‘often by shifting power to technocrat-guardians who were shielded from political influence’, and we ‘placed great faith in the power of legal changes … [such as] contracts.’ With this context in mind, we can now begin considering what the articles in this PMR edition might add to the state of knowledge.

### PPP performance debates

Throughout the past few decades, research into the operation, efficacy, and relative performance of PPPs has been fruitful, and many threads of inquiry have emerged. Table 2 gives a light sprinkling of these ideas and indicates a few seminal examples of typical disciplinary bases for PPP researchers to date, the lens adopted in research, and examples from the literature. This table does not attempt a comprehensive coverage, which would be impossible. It simply tries to show the breadth of disciplines contributing to PPP debates, the increasing breadth of research methods
Table 2. Examples various infrastructure PPP research approaches taken across disciplinary bases.

<table>
<thead>
<tr>
<th>Disciplinary base</th>
<th>Rationality/overarching logic</th>
<th>Performance criteria/analytical contributions</th>
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<th>Typical research approaches adopted</th>
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<tr>
<td>Other:</td>
<td>Project psychology and perceptions</td>
<td>Citizen/user acceptance</td>
<td>Sturup (2013)</td>
<td>Case studies</td>
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<tr>
<td>Psychology</td>
<td></td>
<td>Urban planning and urban shape</td>
<td>Hussein and Siemiatycki (2016)</td>
<td>Case studies</td>
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<td>Geography, Planning</td>
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<td>Law</td>
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<td>Audit</td>
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<td>Gill, Miozzo, and Massini (2012)</td>
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<tr>
<td>Regulation/Control</td>
<td>Social and economic development</td>
<td></td>
<td>Delhi (2014)</td>
<td>Qualitative comparative analysis</td>
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<td>Innovation</td>
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<td>Transition Economies</td>
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being adopted, and some of the differing logics used in terms of analytical rationality when studying PPP phenomena. For a more recent systematic literature review on PPP in public management and public administration, we suggest reading Wang et al. (2017).

Much has clearly come from the traditional disciplines interested in public infrastructure provision. Public administration and public policy scholars have adopted predictable lenses such as the lens of democratic governance and legitimacy and the lens of power, as well as newer lenses such as network ideas and complexity theory. Likewise, engineers, economists, and project finance folk have each been predictable in their areas of focus; getting the infrastructure delivered according to specification; theoretical models for predicting unit costs and describing influential variables; and characteristics such as on-time and on-budget performance. But newcomers, too, have also arrived with powerful ideas including contributions from psychology, geography, and regulation, to name a few.

Having noted the wide variety of research disciplines studying PPPs, we ought also observe that there has, nonetheless, been disappointingly little cross-over between the disciplinary groups to date. As an example of this, the Routledge PPP ‘Companion’ (De Vries and Yehoue 2013) shares probably less than 10 per cent of the references with works such as Greve and Hodge (2013) or the earlier PPP ‘International Handbook’ (Hodge, Greve, and Boardman 2010). We have all been at fault here, and PPP scholarship is still some way off the ideal. Perhaps doing truly interdisciplinary research is more difficult that we thought.

This is not the place to outline the historical development of the PPP research agenda or its possible future (but see Hodge and Greve 2017b). Nor will we attempt a synthesis of what we now know, much of which continues to be highly contested. We do, though, want to simply emphasize two areas of research contestation useful for the current context:

(1) What is a successful PPP? There has been a progressive expansion of ‘measures of success’ for PPPs and there remain fundamental tensions in the values underlying these. Vastly different success measures exist across the disciplines, across jurisdictions, and between research methods. And ‘success’ means something very different again to those employed in the PPP industry itself as finance or project delivery professionals. One of the fundamental divides has been the simple question of whether success is all about delivering the (immediate project), or whether there is also something ‘beyond the contract’ in terms of ongoing cooperation as well (Jeffares, Sullivan, and Bovaird 2013).

(2) How and why do PPPs ‘work’? There has long been an interest in the working of a PPP and the relative importance of the various factors reputed to make them work. On the one hand, some believe it is the ‘hard’ factors that matter, such as the inherent structural features of the arrangement (that is, long tight contracts, bundled together through an overarching consortium, and the strong use of private finance). Others, though, believe that ‘soft’ factors are more crucial, such as superior collaboration and management methods, stronger trust between the partners and better consultation links.
Measures of success

Much has been written on the relative success of PPPs. But success, as McConnell (2010) noted, is an attractive yet slippery linguistic. We all acknowledge the seminal work of researchers such as Flyvbjerg (2007) who pointed out that there was indeed a serious shortfall to be addressed in terms of the politics of project approval (and the accompanying cost and revenue assumptions) and the ultimate project financials. Continuing efforts are clearly justified in learning how to better match predicted project financials with the ultimate financial outcomes; (Flyvbjerg 2017; Hodge and Greve 2017a, 2017c). This is particularly so when we acknowledge the importance of big public projects and their sublime attraction to political leaders, the seemingly overwhelming obsession with the promise of economic efficiency and the clear conflicted interests of industry players. We all also often take for granted the need to ‘get things done’ (as infrastructure engineers emphasize), to get things properly accounted for (as those in accounting emphasize), to do this ‘on-time and on-budget’ (as project managers emphasize), to do things at the maximum efficiency (as economists seek) and to govern well (as public administration, public policy and political science folk all desire). All of these characteristics can be taken as ‘success.’

But achieving any of these is not certain. And more importantly, they may also fundamentally conflict. Those seeking to achieve more accurate on-time and on-budget results, for instance, usually fail to acknowledge that this may have resulted in the goalposts shifting. Financial schemes may well result in improved ‘on-time’ and ‘on-budget’ performance, and yet not be anywhere near maximum efficiency in terms of unit costs.4 The former focus is on project delivery and managing, the latter focus is on power and ultimately, what gets done by whom and for whom. What is important here is that each technical domain (whether engineering, finance or management) is placed into a broader context of politics, institutions and power.

A further component of this debate, as noted earlier, has been the suggestion by Jeffares, Sullivan, and Bovaird (2013) that success in PPPs not simply a matter of project delivery. Both a narrow and a broader view are possible, and both are valid. To Jeffares et al., the narrow view of performance (as established through the partnership agreement) and the broader view (including the longer-term relationship and its benefits to a programme, organizations, citizens, or users) reflect differing stakeholder expectations and perspectives.

Why and how do PPPs ‘work’?

The wealth of research undertaken to date has encompassed a wide range of research questions. It is sufficient to say for present purposes that what PPPs are, how they operate, and whether they deliver superior performance compared to traditional infrastructure techniques have all been central to the research. The underlying belief has been that intensive cooperation between public and private actors in stable long-term contractual relations logically leads to better and more innovative services and policy outputs at lower cost (Ghobadian et al. 2004; Osborne 2000). Both theoretical perspectives and empirical reality across multiple countries have been targeted. And much of this research has had a background philosophy of examining just ‘who gets what, when, and how’ from PPPs; that is, the very definition of politics from Lasswell (1936).5 But we have also searched for the extent to which better, innovative and low-
cost outcomes have been achieved; which factors contribute most to these outcomes; and the conditions under which the core assumptions underlying PPP’s really worked in practice (better collaboration, the role of the contract, and performance criteria and penalties for instance in the DFMO contracts, stability of contractual relations). In other words, we have been questioning whether contract characteristics really have such an important influence on outcomes as the original PPP theory suggested.

A good example here is the work direction set by Klijn (2008). Klijn’s initial response to the debates about what mattered most in terms of the eventual success of PPPs was that it was a simple matter. It is not the hard contractual and financial form of the partnership, but ‘it’s the management stupid!’ – as his 2008 article on the importance of management in complex policy issues was provocatively titled. This conceptual challenge was supported subsequently through a series of empirical investigations aimed at tracking the influence of a wide range of variables to discover which organizational forms and management strategies produced the best outcomes from experience. For example, suggested that managerial efforts were more crucial than organizational form in their survey analysis of Dutch projects, whilst Kort, Verweij, and Klijn (2016) found that the combination of both organizational form and management mattered in achieving good outcomes through network management strategies. Klijn and Koppenjan (2016), too, reminded us that we all need to look well beyond the contractual terms of PPPs to properly understand and manage PPP performance. One exciting characteristic of these recent newer studies has been the adoption of new research methods such as Qualitative Comparative Analysis (QCA). This has enabled patterns and associations to be detected where we suspect PPP outcomes are related to the characteristics of the institutions, of governing structures or the projects and contracts themselves.

Table 2 indicates some of the differing overarching rationales in past research, as well as our past reliance on case studies of one sort or another. Today’s researchers are thankfully increasingly posing research questions which are interdisciplinary and also adopting strong and systematic research methods. QCA is a shining example here.

The articles

Each of the round-table articles presented in this special edition asks ‘how do PPPs work?’ – in one sense or other. Covering PPP experience from four countries, they add considerably to the international literature.

Hussain and Siemiatycki tackle the common assumption underpinning PPPs that long-term private capital is one of the primary reasons PPP delivery is superior to traditional infrastructure provision methods. They examine the case of Ontario, Canada, and observe their 10-year-long PPP programme where, following the completion of the high-risk construction period, the government has made substantial completion payments and reduced the need for long-term private finance. Remarkably, long-term private financing has reduced from 100 per cent down to 40 per cent (or 15 per cent for transport projects). They argue that this change did not undermine project delivery performance, while saving government substantially on project financing costs. Overall, they observe that public sector project managers now conceive private financing as one component of a suite of modern procurement
strategies, along with more diligent and sophisticated project management techniques.

Soeipto and Verhoest note that in international terms, PPP contract renegotiation is common, and perhaps as high as 40–75 per cent. Their study of 26 PPPs in 14 European countries aims to examine which conditions help make contracts more resilient and avoid such renegotiations. They adopt the QCA technique for their study and isolate factors at three levels: the state (macro), government support level (meso), and the contract (micro) levels. Their analysis suggests that there is no single factor which leads to contract stability or contact renegotiation. However, what is important to their mind is the interplay of macro-, meso-, and micro-level factors. PPP contract stability is enhanced by a well-developed institutional framework (including policies, regulations, and supporting arrangements) at the level of the country, in combination with project-level features.

The last paper, by Warsen et al., asks whether it is relational aspects which are the glue that make PPPs work. They ask ‘how significant is trust or management activities on the performance of PPPs?’ And what if we define PPP performance not only as project delivery, but in the wider sense of co-operating long term? To find answers, they conducted a survey of 144 people across 68 projects in the Netherlands. Their analysis, again using a survey, finds that trust is indeed very important statistically to achieve good results in PPP projects. They also conclude that trust also enhances cooperation between partners and that network management is important for achieving good outcomes and for achieving trust. Overall, then, these findings support the primary importance of ‘soft’ factors in PPP over ‘hard’ factors such as contract conditions and institutional structures.

You will find this PMR edition exciting. It is clear that in many ways we are still just starting out on our journey to find out how PPPs really ‘work’ and how to improve infrastructure delivery through stronger public and private collaboration.

Notes

1. Interestingly, Dewulf, Blanken, and Bult-Spiering (2012, 13) argue that the United Kingdom’s PFI concession model ‘came out of the concession models already in use in Australia’. In other words, the UKs PFI initiative followed rather than preceded the private financing initiatives of Australia. Bergere (2016), a former head of the French PPP unit, sees the idea for the PFI model coming from France and its tradition with the concession model.

2. Flinders (2010) noted that the logic of the state concerns collective actions and decisions. Developed over the nineteenth and twentieth centuries, it emphasized collective goods and equality of access and service provision, and ‘was intended to inculcate certain values that stand in direct opposition to the logic of the market.’ The logic of PPPs involves ‘accepting the supremacy of market-like relationships in all transaction situations … and … focusing on economic efficiency and outputs as the primary indicator of performance.’ He therefore saw political debates around PPPs as emanating from ‘the existence of splintered logic – splintered in the sense that the values and principles on which PPPs are based and promoted are at odds with those traditionally found within the political and public sphere.’

3. Of course, a far wider set of formal and informal rationales have always been behind PPPs. Hodge and Greve (2013), for instance, list two dozen objectives ranging from innovation, cultural change, and better project delivery, to building government credentials and improving business confidence. They comment that the PPP ideal amidst the lure of new infrastructure remains powerful in a period when democratic governance itself has become ‘more difficult’ (Flinders 2014).
4. Perhaps, this suspicion was what was behind the observation of the U.K.’s House of Commons Committee of Public Accounts (2011) when it said a few years ago that ‘PFI deals look better value for the private sector than for the taxpayer.’

5. Political and governance factors are often not central to PPP research. The literature on critical success factors (CSFs) emanating from construction engineering and project management, for example, mainly focuses on aspects such as contract management, financial matters, and risk mitigation as indispensable for PPP implementation (Abdel Aziz 2007, Li et al. 2005, Zhang 2005). Much of it assumes a receptive environment (Common 2008), and treats the PPP phenomenon as an ideal concept which is unconditionally acceptable irrespective of cultural and historical factors (Delmon 2013). In reality, the overarching influence of governing political interests, powerful bureaucratic institutions, and reigning social and professional cultures can be far more influential than such CSFs.

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No potential conflict of interest was reported by the authors.

Notes on contributors

Graeme Hodge is a Professor of Law at Monash University. He has worked in both the public and private sectors and has public policy research interests covering public-private partnership, privatization and regulation. He has contributed to 22 Parliamentary Committees and Inquiries. He has also consulted to the OECD, European Commission, United Nations, Asian Development Bank, Commonwealth Secretariat and Australian governments on matters of public policy and regulatory governance.

Carsten Greve is Professor of Public Management and Governance at the Department of Organization, Copenhagen Business School. His research interests cover public-private partnerships, contracting out, privatization and public management reform. His most recent book on public-private partnerships (edited with Graeme Hodge, Routledge, 2013) was Rethinking Public-Private Partnerships: Strategies for Turbulent Times.

Mhamed Biygautane is an associate at the Centre for Commercial Law and Regulatory Studies at Monash University in Australia. He specialises in infrastructure public-private partnerships in the context of the Gulf Cooperation Council states.

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