

# Public-Private Partnership vs. Restrictive Bureaucracy: A Contrast

**Public-private partnerships (PPP)** and **restrictive bureaucracy** represent two different approaches to delivering public services and achieving public goals. Here's a contrasting breakdown of their key characteristics:

## Public-Private Partnership (PPP):

- **Definition:** Collaboration between the public sector (government) and the private sector (businesses and private organizations) to address public objectives and deliver public benefits.
- **Goals:** Leverage private sector expertise and resources and improve efficiency in delivering on adopted public plans, priorities, and objectives..
- **Characteristics:**
  - **Shared risks and rewards:** Both sectors share risks and potential benefits associated with the project.
  - **Efficiency and innovation:** Private sector involvement can introduce efficiency measures and innovative solutions and use private resources to help address public objectives and deliver public benefits.
  - **Faster project delivery:** Streamlined decision-making can expedite project completion compared to traditional bureaucratic processes.
- **Examples:** Projects that address and help achieve public plans, priorities, and objectives.



## Restrictive Bureaucracy:

- **Definition:** A system of administrative procedures and regulations characterized by excessive complexity, poorly defined processes, rigidity, and slow decision-making.
- **Goals:** Ensure accountability, transparency, and compliance with regulations in public spending.
- **Characteristics:**
  - **Strict adherence to rules and procedures:** Emphasis on following established rules and regulation and



making restrictive interpretations of requirements, even if it hinders progress. A lean toward reasons not to collaborate instead of toward how to remove friction and barriers in a responsible way.

- **Limited flexibility:** Difficulty adapting to changing circumstances or implementing innovative solutions.
- **Slow decision-making:** Complex and poorly-defined processes can lead to delays in project decisions and implementation.
- **Examples:** Excessive paperwork, lengthy permitting processes, narrow legal interpretations, excessive oversight, and hierarchical decision-making structures within government agencies.

### Key Differences:

- **Collaboration vs. Internal Control:** PPPs involve collaboration between public and private entities, while restrictive bureaucracy emphasizes internal control within the public sector.
- **Efficiency vs. Accountability:** PPPs prioritize efficiency and speed, while restrictive bureaucracy prioritizes accountability and adherence to regulations.
- **Risk Sharing vs. Risk Aversion:** PPPs involve shared risks and rewards, while restrictive bureaucracy minimizes public risk and preclude hypothetical criticisms through rigid procedures and interpretations.

### Choosing the Right Approach:



There is a choice. Restrictive bureaucracy is not gravity. The optimal approach depends on the specific project, context, and priorities. PPPs can be beneficial for projects requiring creativity and private sector expertise and resources while restrictive bureaucracy might be preferred for sensitive projects requiring strict oversight and control. Ultimately, a balanced approach that promotes reasonable levels of both efficiency and accountability is often desired.

## Whose Decision is It?:

Leaving the decision on the correct balance to strike between restrictive bureaucracy and public-private partnership in a given situation should not be left up to the bureaucrats. Undoubtedly, bureaucratic self-interest versus public interest will end up winning the day (drive to CYA, is it challenging, does it help build and secure the bureaucracy?, personal preferences, etc.). This is not trying to be critical of bureaucrats – it is merely an observation about human nature.

The reason we elect leaders is to lead and in this discussion, leading should mean making the decision about the balance between restrictive bureaucracy and public-private partnership in a given situation. Our elected leaders should gain an understanding of the costs, potential benefits, and risks inherent in a project and make the decision, not bureaucrats promoting restrictive bureaucracy represented as “protecting public resources.” Our elected leaders are bright enough and brave enough to weigh the costs, potential benefits, and risks and make interpretations and decisions that on balance are responsible and have the prospect of getting things done that would be good for the community. If they do this, they can explain their collective decision on behalf of community interests. Without this leadership, our community will miss out on valuable opportunities to support local businesses and on engaging the private sector in taking initiative to improve their sustainability and to pursue and address important community plans and priorities.

