

Book Review

The Politics of Public-Private Partnerships in Western Europe. Comparative Perspectives

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reviewed by Tom Willems*

Public-private partnerships (PPPs) combine the resources of governments with those of private business actors in order to deliver societal goals or services, and share risks and costs. PPPs are popular around the globe to deliver infrastructure projects. Based on data from Public Works Financing, the Canadian scholar Matti Siemiatycki (Toronto University) has shown that over 1300 transport infrastructure projects are delivered via PPPs in more than 90 countries, worth a total of 500 billion US dollars. PPPs have also become an important and well-embedded procurement method for long-term public infrastructure projects in Europe. In addition, PPPs are also relevant beyond the world of infrastructure projects and contracts, because they can be seen as illustrations of the manner in which public governance functions nowadays: more private, more horizontal, more complex, and, at least in theory, driven by common goals or objectives. Despite growing scholarly literature on PPPs, comparative research on PPP policies is rather scarce. In this new book entitled 'The politics of Public-Private Partnerships in Western Europe' Thomas Krumm attempts to bridge this gap. He systematically examines the many factors influence the level of PPP activity in Western Europe. By looking at socio-economical, institutional and political factors across a sample of 14 European countries, this book brings some much needed empirical rigorousness into the debate. In this sense the book is a worthwhile complement to the previous volumes on PPPs edited by leading scholars Graeme Hodge (Monash University) and Carsten Greve (Copenhagen Business School) (2010 and 2013). While they mostly present single-country studies, Thomas Krumm takes the next comparative step.

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The book has three main parts. He first focuses, with good reason, on PPPs as a political issue. There has been much scholarly attention devoted to PPPs from such diverse disciplines as economics, law, management and engineering, but there are not so many social scientists studying PPPs. Yet, infrastructure policy and debates on PPPs are inherently political. A PPP is more than just a neutral or technical tool. It is about long-term choices on the manner in which basic public services are delivered. Thomas Krumm also writes about the impact of the 2008 global financial crisis. Although this section provides some necessary context to properly deal with the issue of PPPs, the sheer complexity of the aftermath of this financial crisis calls for a more in-depth analysis (and probably another book). In the second part, the author empirically tests, in the sample of European countries, various factors like partisanship, veto players, structure of interest groups and public finance (deficit, debt, etc.). Although this quantitative approach sheds some extra light on the scale of PPP activity, it remains hard to gain a real understanding of the mechanisms at play. The variables tested explain only a small part of the complete story (as acknowledged by the author himself), and are broad and vague concepts difficult to measure. The third part of the book uses comparative country case studies to get a deeper insight into the PPP phenomenon. The pairwise case selection of countries is a refreshing approach, and this qualitative presentation helps to understand what is going on in terms of PPP activities in Western Europe. This detailed storytelling of PPP activities in various European countries is, in my opinion, more convincing than the previous part. It is in describing the complex reality of PPP policies in each country in a straightforward and uniform way that the main contribution of this book lies. Although there are some sound global reviews on PPPs (see, for instance, the recent book by Akintola Akintoye and Mathias Beck 2016), they are always edited volumes with scholars writing about PPP projects in their respective countries. Thomas Krumm writes about 14 European countries with equal detail and substance. This is quite an achievement, and has the obvious advantage of clarity. The very rich description of country case studies in terms of PPP policies is what makes this book worth reading and buying. This book offers a welcome bird's eye view on PPP activities and policies in Europe.

The conclusions of the book, however, fall somewhat short in terms of actually grasping the diverse mechanisms at play in the case of PPPs. The author lays many interesting elements on the table, but does not completely succeed in 'solving' the puzzle. Again, it is in describing the complex reality where the main contribution of this book lies, rather than in testing it. Furthermore, given the embryonic status of PPP research in terms of empirical analyses, it is probably too early for such attempts. Rigorous testing requires a more detailed and solid theoretical framework on the politics of PPPs. It seems to me that the author himself implicitly acknowledges this lack of conceptual strength, too, by leaning (too) heavily on Colin Crouch's notion of 'privatised Keynesianism'. Although this approach is indeed very promising, it needs to be further developed. In fact, this important book is the first much needed step in this direction.