

14th October, 2019

Public Management

#4 what is public: from interdisciplinary argument

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Today's goal

- Identify basic terminology and concept of “public”
- understand functions of public bodies: government, public owned organization, etc.

Public (sectors)

As a counterpart of “private(sectors)”

Private goods V.S. Public goods

Private owned enterprise V.S. Public owned one

As a behavioral feature in society

Laissez-faire V.S. Regulation

Free entrance-free exit V.S. Decentralized allocation

Private

Covered narrower population as interests

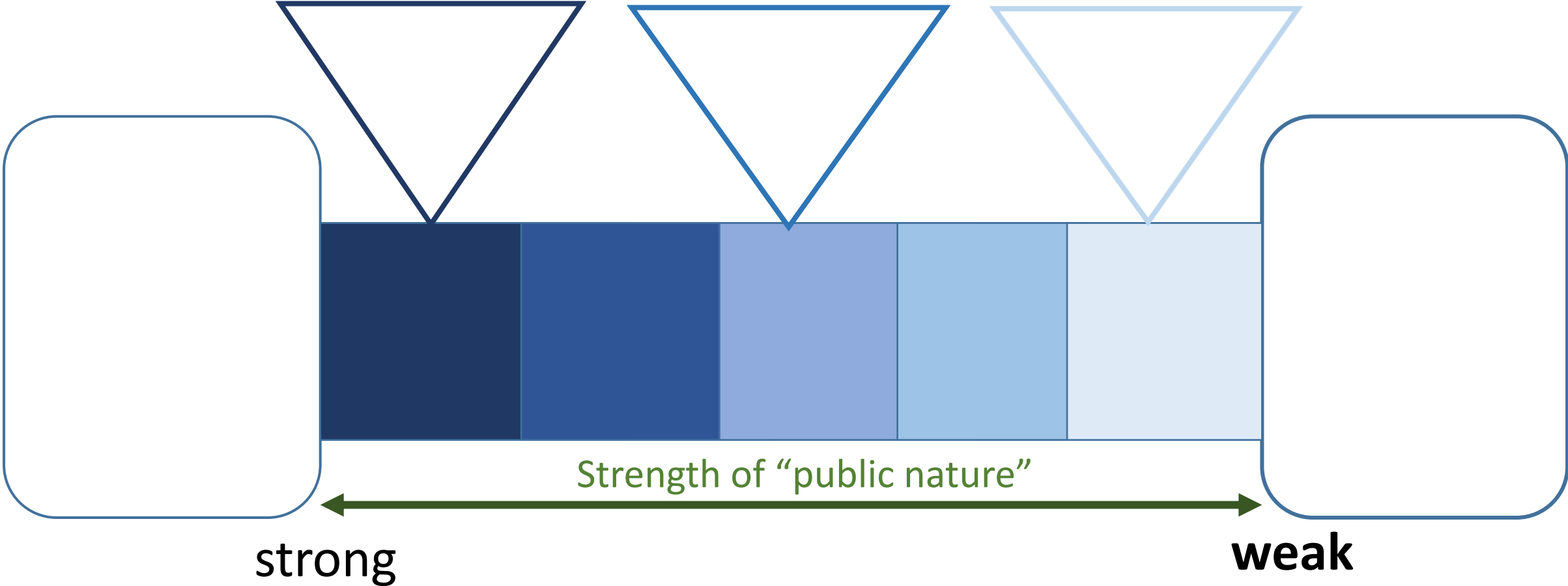
Individuals, small groups, sharing responsibility among small personnel

Public

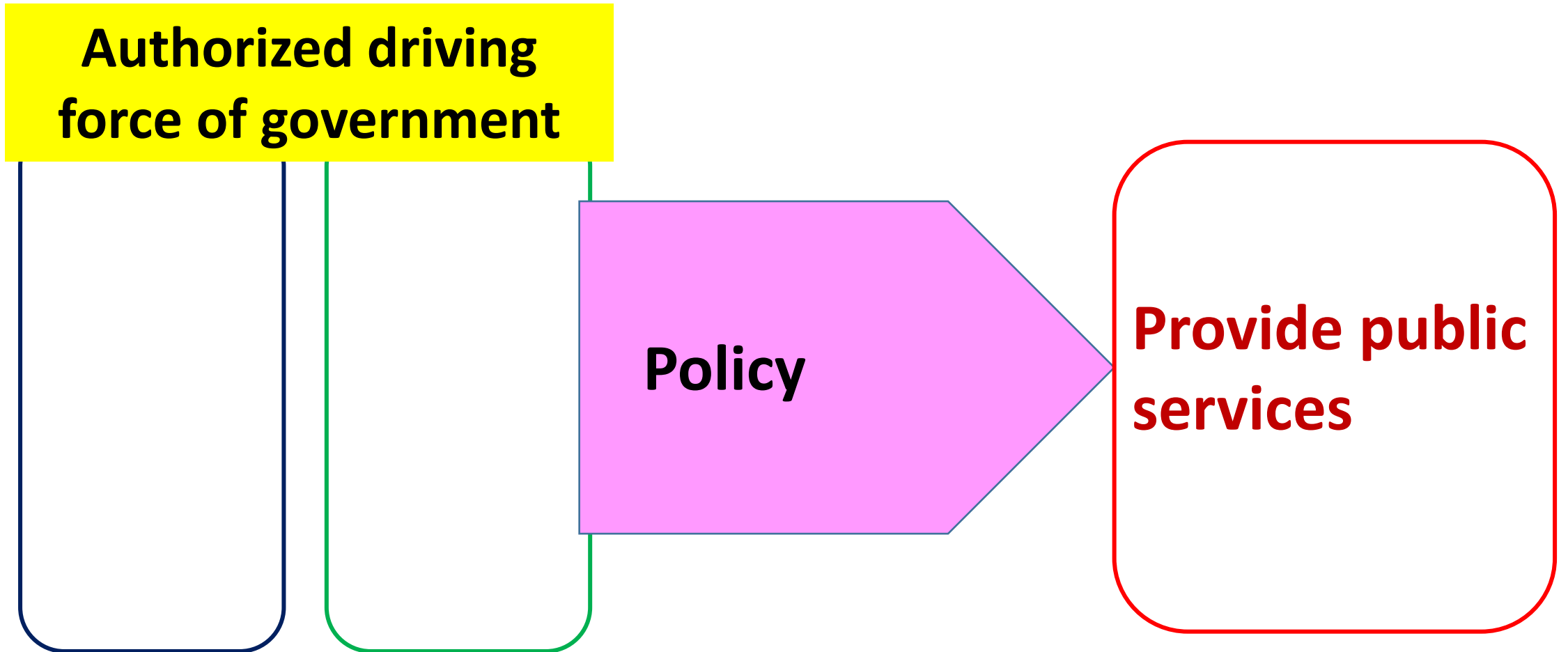
Covered broader population as interests

Communities, regions, nations, large groups, sharing responsibility by elected large personnel

A range of “public”



Ideal expected government behavior



Essential motivation of government behavior

- Ensuring the execution of the budget

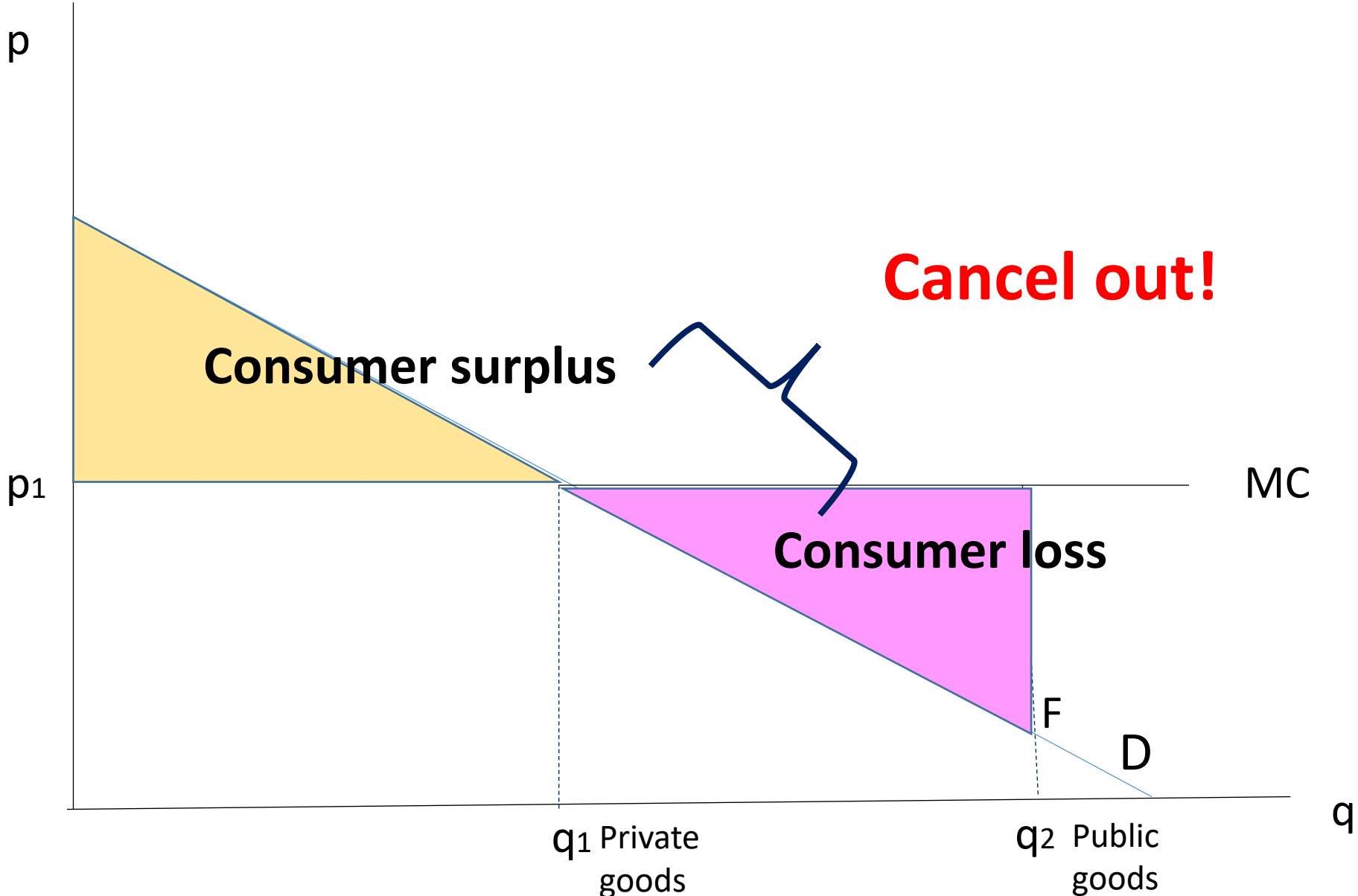
Real needs

Budget execution

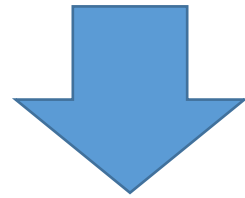
- Complementing market mechanisms without taking risk

Generation of X-inefficiency

Nature of X-inefficiency



At type of public services having opportunity of earning money, this **X-inefficiency** could be serious barrier for implementing qualified service provision



Public entities intend to import an incentive mechanism from private entities in order to install the motivation of “**efficiency**” and realize “**value for money**” policy

Technical aspect of encouraging public “effective”

Segregation of service provision

Cost – effectiveness policy

Appropriate partnership between private and public