

MANAGING PUBLIC OR PRIVATE INTERESTS

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Présentation

Traditionally the economic realm has been divided into two distinct sectors: the public and the private. These two notions have emerged along with, on the one hand, the development of the bureaucratic Nation-State, and, on the other, the emergence of the modern corporation. The frontier between what is public and what is private has been constantly moving, not least because, in many countries, the State has taken upon itself until the late 20th century the right to organise economic activity and in particular that of owning and managing large chunks of the private sector.

However, in the past thirty years the tendency has been reversed. The spread of neo-liberal beliefs regarding economic and social life has brought a “rolling-back of the State” and private ways of managing have been increasingly applied in the public sector in order to enhance its performance. More recently, collaborative schemes, such as the “Public Private Partnerships” have been set up, both in developed and developing countries, as a solution for the operation of public services and with the view of combining some form of democratic control with the presumed greater efficiency of private management.

It seems thus to be the right time for a reflection on the relations between the public and the private. This course offers such reflection, inviting participants, at the same time to look back on the history of the relation, in order to understand what is at stake in current debates, as well as to explore in detail several of the modalities of this relation, ranging from the aforementioned Private Public Partnerships to the defence of property rights against piracy or to the creeping privatisation of accounting standards setting.

Teaching objectives

- To understand the logic of the relation between the public and the private in economy and society

- To study in detail concrete examples of this relation and identify the key-managerial issues at stake

Course format

6 X 3 hours sessions in Fall 2010

Course content

- Introduction : the history of the frontier between the public and the private (Romain Laufer and Carlos Ramirez)
- A matter of definition (2 sessions):
 - o What is to be privatised? The case of international accounting standards setting (Carlos Ramirez)
 - o Who is legitimate to appropriate profits? Property rights and pirates (Rodolphe Durand)
- Towards a working definition of the frontier between the private and the public (2 sessions) :
 - o Public-Private Partnerships: objectives, scope and implications (Bertrand Quelin and Ilze Kivleniece)
 - o Private Public Partnerships in developing countries: the case of water supply (David Menasce)
- Conclusion: the crisis in the relation between the public and the private (Romain Laufer and Carlos Ramirez)

Prerequisites:

No explicit prerequisite. Students with backgrounds in the basics of finance, economics and strategy will have an advantage in mastering some of the course materials. Nevertheless, the course is designed to be self-contained.

Teaching methods

The course will consist of cases studies and articles reading. Active classroom participation by students, based on prior readings and preparation of cases, will be required.

Grading

- Students will be graded on the basis of preparations of cases and/or readings, to be handed in, and class discussions
- See details of each session for the exact description of assignments