

Alliance for a Responsible, Plural and United World

World Citizens Assembly

Lille - December 2 to 10, 2001

Thematic Group

Public and Private Sectors: Limits, Role Distribution, Regulation, and Partnerships

Remark: The group only comprised 12 participants, and 4 among them came from the Socioprofessional Network of Company Leaders, therefore several socioprofessional networks were not represented in this group.

Introduction of every participant to the group.

Every participant used the mapping that came out of their Socioprofessional Network to present the results of their socioprofessional group's work and to comment more precisely on the descriptors related to relations with the state, and relations between the private and public sectors.

The Post-it method was used to find the maximum amount of ideas on relations between the public and private sectors. These ideas were gathered and organized on 3 paper boards: regulations, partnerships, distribution of roles.

The discussion that followed flew into macroeconomic concepts (the differences between societies in the process of development and those in a recession) but considering the background of the participants, it was not possible to reach any agreements at this level. The facilitator suggested to come back to a presentation of concrete experiences, in particular in the social and nonprofit fields, on which several of the participants had reported when they had introduced themselves to the group.

Several participants presented their project:

BERTHE Abdou: an organization for street children in Mali

HARA Kazuto: a private but nonprofit health institution in Japan

MEDINA Henry: the fight against drugs in Colombia

RAMAHOLIMIHASO Madeleine: an organization for the promotion of the small companies in Madagascar

DIAZ Alberto: financing of academic research in Argentina

STICKEL Martin: selection of companies for the privatization of electricity distribution in Germany

NORENBERG Johnnton: an example of city management in Norway

All of these participants having described these personal experiences in DPH reports, this summary does not include the latter.

Strong points of convergence that appeared on the relations between the private and the public sectors in these different experiences:

1 - The state is always a necessary partner at the start of a private initiative in the social, nonprofit field.

2 - To guarantee a true competitiveness between the private and public sectors, a strong AND transparent state is necessary.

3 - Most of the projects of interest to society are based not on a simple relationship between the state and a private enterprise, they also call upon a large numbers of different partners, which can be:

- political figures
- justice
- the media
- unions or federations (representative of groups of companies)
- nonprofit organizations
- other states
- the military, etc.

The independence of some of these partners is a key factor for success (in particular the media and justice)

4 - There are such differences in the conceptions of public and private enterprises used in different parts of the world that it seems nearly impossible to draw any general rules on their respective roles

5 - States have an important role to play in the regulations outside their country

6 - The media and the unions (social partners and representation of companies) can play an important role in the regulation between the public and private sectors

7 - Private initiatives in the nonprofit sector need to be encouraged, stimulated, and protected (by the state?)

8 - The state must take the common good into account in the actions of private companies in the public field, in particular during privatization or negotiation of utilities (water, electricity, transportation, etc.). The state must base itself on selection criteria for:

- the quality/price ratio,
- the long term,
- consideration of the general interest

rather than, as is often the case:

- the price
- the short term

9 - The state must avoid granting monopolies to private companies. When they exist, the state must regulate to ensure consideration of citizens' needs, an optimum quality/price ratio, etc.