

# **PUBLIC-PRIVATE ASSOCIATIVE NODES IN LATIN AMERICA**

*Posted on 08/06/2010 by Naider*



The almost infinite interconnection possibilities that we now have and the flexibility of the resulting exchanges means that we find ourselves in a much more open society, which in turn implies greater professionalization in vital areas of human activity.

With successful results, some actions of the Public Administration (AAPP) have been losing that patina of inefficiency that gave a bad name to more social or *progressive* policies, to advance considerably in organizational and management issues. Antagonistic ends (apparently) of the same rope, they can reach compromises looking for mutually beneficial possibilities and even weave a net.

The advances in the gain in efficiency of the Public Entity should not be attributed simply to the liberalization *per se* of public action: the key lies in the inclusion of agents that previously remained on the sidelines, both by decision own as by the inability of joint collaboration offered by the bureaucratic armor.

The trend in International Organizations, Public Administrations and in professional relations in general, is the productive specialization that Adam Smith preconceived a few centuries ago, through project management. Nothing new. The popular saying of *shoemaker to your shoes* gains strength, but with the addition of the participation of most of the subjects that make up the social fabric of the human being. In this way, the "public" ceases to be an abstract concept, belonging to everyone and no one, in order, ideally, to attract the greatest amount of talent. That talent that is found in the streets, in private companies, in families, in neighborhood associations, in NGOs, in Local Action Groups, in artist groups, in sports teams and in groups of consultants.

The **Public Private Partnerships** (PPP or P3 in English) or Public-Private Associations, including the **social** concept (**PSPP** >), beyond the construction of roads, refer to private and public alliances related to social development. Its most tangible form and its seed can be seen in the new forms of contracting or public bidding that some development agencies try to promote, to achieve a professionalization of services for public and socially satisfactory purposes.

The answer to the hieroglyph of development is not simple, but it can be guessed that it goes through the solutions from the bottom up. The difficulty will lie in ensuring that ideas and proposals in developing countries are channeled so that they come to fruition. The fertilization of private projects is not always spontaneous and should be encouraged, although not forced. It is known that the AA PP are little given to risk, thus, if they manage to partially delegate the generation of ideas, more inclusion is achieved and the system as a whole is oxygenated.

The ability to generate projects will be a challenge for the countries with the most difficulties in Latin America. [A report by The Economist Intelligence Unit commissioned by the MIF](#) of the Inter-American Development Bank on PPPs in Latin America, through an index called Infrascopes, reveals that Chile, Peru and Brazil top the list of positive capacities of regional governments in that area to carry out these projects, evaluating the legal, institutional, financial, social, political and commercial climate, as well as the possibilities of efficient development. The bottom positions, of the 19 countries studied, are occupied by Ecuador, Nicaragua and Venezuela respectively. It is striking that the ability to carry out private project proposals (in this case infrastructure) does not have a direct correlation with GDP, as evidenced by the gap between Peru and Venezuela.

We will see how the results really progress in the following years, to avoid new *lost decades*. You don't have to be a fortune teller to assume that local proposals and happy ideas must be

transferred *to paper* and later to real life and until that happens, wealth will not be created. It remains for us to ask ourselves if Latin America today is a hotbed of dynamic development projects between private initiatives, Public Administrations and civil society in general.

**There are no comments yet.**