

ABSTRACT

Are Public-Private Partnerships Effective as Infrastructure Development Strategies?

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Public-Private Partnerships (P3) have emerged over roughly the last two decades as a popular strategy for infrastructure development worldwide. Initiatives within the United Kingdom, Australia and Canada are well known while the use of private capital for infrastructure projects within emerging economies has become a global trend. Within the US, P3 arrangements have been used somewhat selectively thus far, but their momentum is building as states put enabling legislation in place to permit public-private initiatives and as “successes” such as the recent leases of the Chicago Skyway and the Indiana Toll Road are reported. Proponents of P3’s tout numerous advantages while detractors often claim that the marginal benefits rarely materialize or that they are obtained at too great an expense. Thus, the question arises, are P3’s effective as infrastructure development strategies? A research initiative is underway to answer this question in the context of the US. Thus far, the work has: (a) synthesized notable literature regarding P3’s and infrastructure development, (b) developed a framework to measure the effectiveness P3’s at the program and project level, and (c) begun a longitudinal case-based study of both P3 programs and projects where the framework is applied. Preliminary results are presented and discussed. While the research has not progressed far enough to make categorical conclusions, the early findings suggest that P3 initiatives in the US have had limited effectiveness and that the future success of these endeavours may depend upon establishing national guidelines for their implementation and assessment.

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