



Local Government Studies >

Volume 33, 2007 - [Issue 4](#): Local Government Reform: Privatisation and Public – Private Collaboration

3,554 229

Views

CrossRef citations to date

136

Altmetric

Original Articles

Why do local governments privatise public services? A survey of empirical studies

Germà Bel  & Xavier Fageda

Pages 517-534 | Published online: 17 Jul 2007

 Cite this article  <https://doi.org/10.1080/03003930701417528>

Sample our
Politics & International
Relations Journals

>> [Sign in here](#) to start your access
to the latest two volumes for 14 days

 Full Article

 Figures & data

 References

 Citations

 Metrics

 Reprint

We Care About Your Privacy

We and our 899 partners store and access personal data, like browsing data or unique identifiers, on your device. Selecting "I Accept" enables tracking technologies to support the purposes shown under "we and our partners process data to provide," whereas selecting "Reject All" or withdrawing your consent will disable them. If trackers are disabled, some content and ads you see may not be as relevant to you. You can resurface this menu to change your choices or withdraw consent at any time by clicking the ["privacy preferences"] link on the bottom of the webpage [or the floating icon on the bottom-left of the webpage, if applicable]. Your choices will have effect within our Website. For more details, refer to our Privacy Policy. [Here](#)

We and our partners process data to provide:

...

 I Accept

Reject All

Show Purpose

Acknowledgements

Our research on local privatisation has received financial support from the Spanish Commission of Science and Technology (CICYT, SEJ2006-04985) and from the Fundación Rafael del Pino. We are grateful for comments received from Trevor Brown, Amir Hefetz, Matthew Potoski, David van Slyke and Mildred Warner in the Barcelona International Workshop on Local Government Reform: Privatization and Public-Private Collaboration (June 2006). Detailed comments and suggestions from two referees have been very useful.

Notes

1 Indeed, empirical literature on privatisation and costs provide very interesting insights, and it has been reviewed elsewhere (Bel & Warner, [2006](#)).

2 The seminal work by Vickers and Yarrow ([1988](#)) provided a comprehensive approach to studying privatisation. Megginson and Netters' ([2002](#)) survey published in Journal of Economic Literature offers extensive information on this literature.



4 Political ... the previous
section. ... ck these
hypothe ... on
ideologic

5 We are aware that some other works, such as extensive case studies or studies based on statistical correlations between two variables, can offer interesting insights. This is the case for example of the works of Christoffersen and Paldam ([2003](#)) or Young ([2005](#)). However, results from studies using econometric multivariate methods are more suitable to generalisation to other contexts.

6 It must be said that the study by Hebdon and Jalette ([2007](#)) includes observations for Canada.

7 However, some studies that analyse just one service also find a significant relationship between fiscal stress and privatisation. This is the case in the study of Feldman ([1986](#)) for urban buses and the study of Hirsch ([1995](#)) for solid waste collection.

8 Some studies of US cases analyse the alternative hypothesis; large cities will privatise more often since they can take advantage of competition from a larger number of service providers. In order to test this hypothesis, these studies use variables for core metropolitan areas, suburbs and rural areas. Interestingly, results from the works of Warner and Hefetz ([2002](#)) and Hebdon and Jalette ([2007](#)) imply that suburbs of metropolitan areas privatise more often than core metropolitan cities or rural areas. Levin and Tadelis ([2005](#)) conclude that large and urban areas tend to externalise

producti...lise to public agencies

9 Eviden...handler and Feuille (2... The latter service c...s, while the amount

10 Int...why there is less p...local governm...es. Hence, he sugg...choice theory.

11 A sm...mers, outside

19 Additional information may be different in each case.



Related Research Data

Ownership and Production Costs: Choosing between Public Production and Contracting-Out in the Case of Swedish Refuse Collection

Source: Fiscal Studies

Applying Market Solutions to Public Services

Source: Urban Affairs Review

Property Rights and the Nature of the Firm

Source: Journal of Political Economy

Private Markets, Contracts, and Government Provision

Source: Urban Affairs Review

Contractual Choice and Performance the Case of Water Supply in France

Source: Revue d'économie industrielle

Production Choices for Local Government Services

Source: Journal of Urban Affairs

MUNICIPAL GOVERNMENT APPROACHES TO SERVICE DELIVERY: AN ANALYSIS FROM A TRANSACTIONS COST PERSPECTIVE

Source: Economic Inquiry

Bureaucratic Theory Meets Reality: Public Choice and Service Contracting in U. S. Local Government

Source:

Do Pu

Source:

A Mo

Source:

Contr

Source:

The P

So

IN

PROP

Source:

Cities

Source:

Facto

Source:

Local

Source: Journal of Policy Analysis and Management



Outsourcing in the Australian health sector

Source: International Journal of Public Sector Management

Fiscal Structure and the Post-Proposition 13 Fiscal Regime in California's Cities

Source: Public Budgeting & Finance

A Statistical Estimation of an Operating Cost Function for Municipal Refuse Collection

Source: Public Finance Quarterly

Public and private bureaucracies: a transaction cost economics perspectives

Source: The Journal of Law Economics and Organization

The Determinants of Variations in Local Service Contracting

Source: Urban Affairs Review

Cities and Privatization

Source: Policy Studies Journal

A theory of privatization, or why bureaucrats are still in business

Source: World Development

Beyond the market versus planning dichotomy: Understanding privatisation and its reverse in US cities

Source: Local Government Studies

Privatization and Its Reverse: Explaining the Dynamics of the Government Contracting Process

Source: Journal of Public Administration Research and Theory

The Decision to Contract out

Source: Urban Affairs Quarterly

An Ec

Source

The C

Source

Do Vo

Source

Privat

Source

P

So

A Pur

Source

Trans

Source

Contr

Source

CONT

CITIES*



Source: Journal of Industrial Economics

Machiavellian Privatization

Source: The American Economic Review

Scale, Market Structure, and the Cost of Refuse Collection

Source: Review of Economics and Statistics

The determinants of the choice between public and private production of a publicly funded service

Source: Public Choice

Privatization in the United States

Source: Unknown Repository

From State to Market: A Survey of Empirical Studies on Privatization

Source: SSRN Electronic Journal

A Test of the Property-Rights Theory of the Firm: Water Utilities in the United States

Source: The Journal of Law and Economics

Economies of Scale and Scope: A Cost Analysis of Municipal Solid Waste Services

Source: Land Economics

How Markets for Impure Public Goods Organize: The Case of Household Refuse Collection

Source: The Journal of Law Economics and Organization

The Decision To Contract Out City Services: a Further Explanation

Source: The Western Political Quarterly

The Restructuring of Municipal Services: A Canada—United States Comparison

Source

Factor

Source

Linkin



Relat



Information for

- Authors
- R&D professionals
- Editors
- Librarians
- Societies

Opportunities

- Reprints and e-prints
- Advertising solutions
- Accelerated publication
- Corporate access solutions

Open access

- Overview
- Open journals
- Open Select
- Dove Medical Press
- F1000Research

Help and information

- Help and contact
- Newsroom
- All journals
- Books

Keep up to date

Register to receive personalised research and resources by email

 Sign me up



Copyright © 2024

Accessibility

Registered
5 Howick Place

John Wiley & Francis Group
a John Wiley & Francis business

