CONFERENCE on PUBLIC SERVICES and MANAGEMENT
Designs, Issues and Implications for Local Governance
January 12-14th 2006

VENUE

--- Hôtel Mercure Atria ---
8 Esplanade Compans Caffarelli
31901 Toulouse Cedex 9
w w w . m e r c u r e . c o m
13h30 Coffee & Welcome Address: Jacques Crémer, IDEI Director.

14:00 – 15:00 Keynote Lecture 1: Contracting Out or In

Chair: Patrick Rey (University of Toulouse and IDEI)

14:00 Steve Tadelis (University of California at Berkeley) – co-author Jonathan Levin (Stanford University), "Contracting for Government Services: Theory and Evidence from the U.S. Cities".

15:00 – 16:30 Afternoon Session 1: Organizing Partnerships

Chair: Oliver Hart (Harvard University)

15:00 Paul Grout (University of Bristol) – co-authors Andreas Bentz (Darmouth College) and Majia Halonen (University of Bristol), "What Should Governments Buy from the Private Sector – Assets or Services?". Discussant: Patrick Rey (University of Toulouse and IDEI).

15:45 Jérôme Pouyet (Ecole Polytechnique and IDEI) – co-author David Martimort (University of Toulouse, IDEI and IUF), "Built-It or Not? Normative and Positive Theories of Public-Private Partnerships". Discussant: Elisabetta Iossa (Brunel University).

16:30 – 17:00 Coffee Break

17:00 – 17:45 Afternoon Session 2: Theoretical Perspective

Chair: Georges Valentis (Institut Veolia Environment)

17:00 Peter Norman (University of British Columbia) – co-author Hanming Fang (Yale University), "Public Provision of a Private Good as a Constrained Efficient Outcome". Discussant: Helmut Cremer (University of Toulouse and IDEI).
### Keynote Lecture 2: Public Finance and Partnerships

**Chair:** Mathias Dewatripont *(ECARES Bruxelles)*

#### 8:30  
**Eduardo Engel** (Yale University) – co-authors, Ronald Fisher (CEA) and Alexander Galetovic (University Los Andes), "The Basic Public Finance of Public-Private Partnerships: The Case of Toll Roads".

### Morning Session 1: Transport and Water

**Chair:** Guido Friebel *(IDEI Toulouse and EHESS)*

#### 9:30  
**Armin Schmutzler** (University of Zurich) – co-author Rafael Lavile (University of Zurich)  
"Competition for Railway Markets: The Case of Baden-Württemberg".  
**Discussant:** Etienne de Villemeur *(University of Toulouse and IDEI)*.

#### 10:15  
**Stéphane Saussier** (ATOM - University of Paris 1) – co-authors Eshien Chong (ATOM, University of Paris 1) and Freddy Huet (ATOM, University of Paris 1), "Auctions, Ex Post Competition and Prices: The Efficiency of Public-Private Partnerships".  
**Discussant:** Christian Bontemps *(University of Toulouse and IDEI)*.

### Coffee Break

#### 11:00 – 11:30

### Morning Session 2: Collusion in Procurement: Theory

**Chair:** Marc Ivaldi *(IDEI Toulouse and EHESS)*

#### 11:30  
**Giancarlo Spagnolo** (Stockholm School of Economics) – co-author Giacomo Calzolari (University of Bologna), "Reputation and Collusion in Procurement".  
**Discussant:** Jeanine Thal *(University of Toulouse, GREMAQ)*.

#### 12:15  
**Eshien Chong** (ADIS-GRJM, University of Paris 11 & ATOM, University of Paris 1) – co-author Freddy Huet (ATOM, University of Paris 1), "Yardstick Competition, Franchise Bidding and Collusive Incentives".  
**Discussant:** Jérôme Pouyet *(Ecole Polytechnique and IDEI)*.

### Lunch

#### 13:00 – 14:30
### 14:30 – 16:00 PARALLEL Afternoon Session 2: Collusion in Procurement: Empirical Studies

**Chair:** Farid Gasmi *(University of Toulouse and IDEI)*

14:30 **Otto Toivainen** (University of Helsinki) – co-authors Ari Hyytinen (RIFE) and Sofia Lundberg (HECER), "Favoritism in Public Procurement: Evidence from Sweden".  
*Discussant: Thierry Magnac* *(University of Toulouse and IDEI).*

*Discussant: Marc Ivaldi* *(IDEI Toulouse and EHESS).*

### 14:30 – 16:00 PARALLEL Afternoon Session 2: Scope Economies

**Chair:** Jean-Charles Rochet *(University of Toulouse and IDEI)*

14:30 **Arnaud Reynaud** (University of Toulouse, LERNA) – co-authors Serge Garcia (ENGREF Montpellier), Michel Moreaux (University of Toulouse, LERNA), "Measuring Economies of Vertical Integration in Network Industries: An Application to the Water Sector".  
*Discussant: Pierre Dubois* *(IDEI Toulouse and INRA).*

15:15 **Giacomo Calzolari** (University of Bologna) – co-author Carlo Scarpa (University di Brescia), "Regulating a Multi-Utility Firm".  
*Discussant: Wilfried Sand-Zantman* *(University of Montpellier and IDEI).*

### 16:00 – 16:30 Coffee Break

### 16:30 – 18h30 ROUND TABLE – Public Services and Management: Major Trends

**Chair:** Jean-Marc Vittori *(Journalist, Les Echos)*

- Antonio Estache (World Bank and ECARES)
- Germaine Gibara (Vice President, Institute for Research on Public Policy – President, Avvio Management Inc.)
- Claude Martinand (President, Institut de la Gestion Déléguee)
- Hartmut Mehdonr (CEO, Deutsche Bahn)
- Henri Proglio (CEO, Veolia Environnement)
- Jean Tirole (Scientific Director, IDEI)

(Simultaneous translation French/English will be available)

### 18:30 – 19:30 CONFERENCE COCKTAIL

### 20:00 CONFERENCE DINNER *(Fondation Bemberg)* - Registration Required
8:45 – 11:00 Morning Session 1: Political Economy, Again

Chair: Steve Tadelis (University of California Berkeley)

8:45 Jean Tirole (IDEI and GREMAQ, Toulouse, and MIT), "PPP Politics". 
Discussant: Steve Tadelis (University of California Berkeley).

9:30 Matthew Ellman (University of Pompeu Fabra), "Does Privatisation of Public Service Provision Reduce Government Accountability?". 
Discussant: Oliver Hart (Harvard University).

10:15 Juan-Jose Gauza (University of Pompeu Fabra) – co-authors Alex Calvaras (Universitat de les Illes Balears) and Gerard Llobet (CEMFI), "Regulation and Opportunism: How Much Activism Do We Need?". 
Discussant: Bruno Jullien (University of Toulouse and IDEI).

11:00 – 11:30 Coffee Break

11:30 – 13:00 PARALLEL Morning Session 2: Contracting

Chair: David Martimort (University of Toulouse, IDEI and IUF)

11:30 Elisabetta Iossa (Brunel Business School) – co-author John Bennett (Brunel Business School), "Contracting Out Public Service Provision to Not-For-Profit Firms". 
Discussant: Matthew Ellman (University of Pompeu Fabra).

12:15 Wilfried Sand-Zantman (University of Montpellier and IDEI) – co-author David Martimort (University of Toulouse, IDEI and IUF), "Signalling and the Design of Delegated Management Contracts for Public Utilities". 
Discussant: Stéphane Saussier (ATOM, University of Paris 1).

11:30 – 13:00 PARALLEL Morning Session 2: Empirical Studies

Chair: Christian Bontemps (University of Toulouse, IDEI)

11:30 Laure Athias (ATOM, University of Paris 1) – co-author Stéphane Saussier (ATOM, University of Paris 1), "Contractual Design of Toll Adjustment Processes in Infrastructure Concession Contracts: What Matters?". 
Discussant: Annalisa Vinella (University of Toulouse, GREMAQ).

12:15 Claudine Desreux (ATOM, University of Paris 1), "Governance Structures and Relational Contracting in Local Public Services: A Comparison of French and American Public-Private Partnerships". 
Discussant: Claude Crampes (University of Toulouse and IDEI).

13:00 – 14:30 LUNCH
14:30 – 16:00 Afternoon Session: Privatization and Development

Chair: Jean-Paul Azam (University of Toulouse, IDEI and IUF)

14:30 V. Santhakumar, (Centre for Development Studies, Trivandrum, Kerala),
"Impact of the Distribution of the Cost of Reform on Social Support for Reforms".
Discussant: Emmanuelle Auriol (University of Toulouse and IDEI).

15:15 Stéphane Straub (University of Edinburgh) – co-author David Martimort
(University of Toulouse, IDEI and IUF),
"Privatization and Corruption".
Discussant: Antonio Estache (World Bank and ECARES, Bruxelles).

16:00 Concluding Words: