

Privatization of Public Services

As many of you know one of my concerns is the inefficacy in the way our public services are delivered to taxpayers. Let's call them customers. There should be a California law that allows private companies to compete for delivery of public services to its customers. Whether it's maintenance services, education, correctional institutions, revenue collection, emergency services and anything the taxpayer funds and expects prompt and accurate service, a private sector company should be allowed to provide that service.

This is especially important in rural areas where the public sector resources are sometimes severely limited. I am not suggesting that all private companies are more efficient. There is a self-cleaning mechanism that prevents them from continuing unconditionally — Failure. When that happens new companies, products and services that meet the needs of the public better, quickly fill the void left by those that failed (except of course when the government gets involved).

The public sector has no corrective mechanism. And some public services (i.e. emergency services) should not be able to fail. But there should not be a monopoly on who should deliver public services to the taxpayers. We have all seen futurist movies where large corporations deliver the necessary public services to the population. Fraught with corruption and inefficiency, these lucrative arrangements are worse than the public sector service providers we are trying to avoid. But that's in the movies, although it is true that even today some contracts and arrangements are plagued with nepotism, graft and incompetence.

Such arrangements and contracts are only possible when the responsible authorities make poor choices regarding delivery of public services. Greater transparency even today is a must to correct these situations. This really is not new or even a radical concept. Where I live, if one suffers from a life threatening illness - when a defibrillator or an injection is needed, it is administered by a paramedic who is employed by a private ambulance company. I pay my car registration at the local AAA office; no long lines there, unlike the dreaded DMV.

I can think of numerous applications where private enterprise probably would deliver better and cheaper services. The same services provided by the management-plagued California Employment Development Department might easily be contracted to a payroll company like ADP or Intuit. Auto dealerships could also provide fleet maintenance services to local and state governments if they provided the service better and cheaper.

Inspection services could also be managed by private professionals provided there was no conflict of inspection mandated and professional services such as design, engineering or manufacture of what to be inspected are received by the same entity. Disney, Universal and similar companies could surely manage parks, monuments and other California public places of interest better and cheaper without dilution of mandated protection and preservation of these iconic places.

Other potential savings to the taxpayer might be equipment costs and employee training which could be provided by the private sector. Capital investment would shift away from government entities. We might also see investors from sources including those outside the boundaries of our state and county funneled into these private sector companies. Public service companies could even make profits for shareholders and investors instead of burdening the taxpayer with more debt.

Although I have mentioned large established companies doing these jobs better and cheaper, it really opens the door for the small business person to realize their dream of business ownership. From providing janitorial services at the local government center, the private contractor could take over road maintenance. Architectural and engineering firms certainly could do the necessary inspections required for owner-builders who are creating their dream home. To be clear, I am not suggesting that our public services only be delivered by the private companies.

But there should be the opportunity for private companies to compete for public services. Unfortunately, I also understand that the complexities of government functions could make transference of services to the private sector cost-prohibitive or even unworkable. But, isn't it worth a try?