Cutback management through public procurement in Spanish regional governments

José Caamaño-Alegre¹ and Pilar Gago-de-Santos²

Abstract

From the seminal Levine's (1978, 1979, 1981) contributions to the most recent papers like Ongaro et al. (2015), Raudla et al. (2015) or Kickert & Randma-Liiv (2016), cutback management literature has not usually paid a specific attention to public procurement. As Tátrai (2015: 255) states: "Cutback management has recently become a feature in public procurement in many countries, but thus far very few academic papers have analysed this new reality." Our paper attempts to contribute to filling this gap, pursuing a research objective that is twofold. Firstly, we try to quantify and analyse cutbacks made in Spanish regional governments' contractual expenditures, comparing the real growth rates in these expenditures since the Great Recession with their corresponding pre-crisis rates. Secondly, we try to do the same with the different cutback measures taken by those governments regarding public procurement (postponing procurement, deferral of maintenance, contractual commitments against future budgets, open auctioning and loosing qualification standards, centralizing procurement, substituting traditional procurement by public-private partnerships, delaying payments to contractors, hiding contractual expenditures...). In these two steps of our analysis, we try to identify and/or highlight the main strategies used and patterns shown by the governments under study, considering both similarities and differences between them.

Keywords: cutback management, public procurement, contractual expenditures

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¹Corresponding Author University of Santiago de Compostela Spain. jose.caamano@usc.es

²Complutense University of Madrid, Spain. <u>pgdsantos@gmail.com</u>