

Research on the Marketization of Public Service

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Abstract: *The market-oriented reform of public services is actually a systemic reform. This reform method can not only relieve the government's public service pressure, but also improve the quality of public services. At the same time, it is conducive to meeting the public's requirements for public services, enhancing the government's credibility and authority, helping to strike a balance between the government, third parties, and the market, improving its quality and quantity, and improving the work efficiency of the public sector. Practice has proved that the establishment of the supervision and management system, the escort of market access rules, the support of regulations and policies, and the transformation of the government's role are objective guarantees for the smooth progress of the market-oriented reform of public services. However, in actual operation, some problems have also appeared. Based on the analysis of public service market reform, this article puts forward several countermeasures in order to help the future public service market reform.*

Keywords: public service; marketization; government

1. The characteristics of the marketization of public services

Public services refer to public goods and services provided by the government or public organizations or organizations authorized by the public that have the nature of common consumption. Public services have two characteristics: one is non-exclusive. That is, this kind of public service is shared by citizens; the second is non-competitiveness. That is, one person's consumption and income have no effect on the consumption and income of other people. The marketization of public services means that the government destroys the monopoly of the public sector by introducing competition and implementing an internal market, etc., so that most of the responsibilities previously borne by the public sector are returned to society, so that the market can be flexible and timely. The characteristics of flexibility and convenience form a multi-party interaction between capitals to improve and enhance service effects.

The marketization of public services has the following characteristics:

1.1 Subject diversity

For a long time, due to the non-competitive and non-exclusive nature of public services, the government has naturally become a monopoly operator. Market-oriented reforms have dismantled this pattern. The supplier is not only the government, but a variety of third-party organizations can provide it. Therefore, there is a situation where multiple subjects coexist in public service providers, forming subject diversity.

1.2 Diversity of Forms

Savas believes that there are ten ways to reform the marketization of public services: "government services; government sales; intergovernmental agreements; contracting; franchising; government subsidies; voucher system; free market; voluntary service and self-service." Among them, more forms are mainly used: user pays and voucher system, etc. At the same time, in practice, in order to improve the efficiency of public service supply, diversified supply methods that combine multiple forms organically are often adopted.

1.3 Service competitiveness

In the face of fierce market competition, if all suppliers want to gain a foothold in the fierce competition, they must constantly seek changes to make them more flexible, creative and competitive. Therefore, the risks and benefits faced by various supply entities, such as public departments and third-party organizations, public supervision, and social value evaluation all reflect the competitiveness of services.

1.4 Responsibility oversight

When evaluating or supervising public services provided by the government, third-party organizations, etc., the following methods can be used, such as clarifying the access rules for industry services, making various public information transparent to the society, and realizing the transformation from internal supervision to external supervision in the past. This result-oriented supervision mechanism can play a very good role in supervision and restraint of public service providers, so its responsibility and supervision will be greatly enhanced. The full "customer orientation" of the market reform has also brought more freedom of choice for the public and strengthened the public's supervision of its effects. The main body of public service providers must adjust to the needs of citizens in order to occupy the market. The supervision of citizens.

2. Theoretical basis for the marketization of public services

2.1 Polycentric theory

In the 1960s, Ostroms proposed a polycentric theory, which divided the "providing" and "production" of public services. In this way, the identity of the producer cannot be determined. In addition to the government, other entities can also become producers. In this case, the government can purchase public services from them. The relative separation theory of supply and production is a kind of theoretical support. For the destruction of the public sector's monopoly position, diversified channels are used to make the realization of low-cost and efficient public services a reality.

2.2 Government failure theory

The neo-economic liberalism school puts forward the theory of government failure, that is, due to the lack of information and the existence of high control costs, the phenomenon of waste and abuse of resources occurs generally, resulting in a situation where the scale of expenditure costs is too large and social welfare cannot be effectively realized, and the government cannot control it. All things, so its past regulatory actions have led to the destruction of policies and measures that should serve the public by personal selfish desires, causing chaos in the market order. This theory enabled the deregulation of the public sector to be promoted and provided theoretical support for market-oriented reforms.

2.3 New public service theory

In the 1980s, Robert Denhardt proposed a new public service theory. First, put the people first, attach great importance to the interests of citizens, and improve their ability to participate in management activities. Second, competitiveness, advocating the introduction of competition into the internal market and so on. Third, transform government functions to become leaders, regulators, and service providers, and encourage and support the government to adopt certain regulatory measures to become the direction of market development.

3. The significance of marketization of public services

3.1 Conducive to improving the quality of public services

Government monopoly is easy to ignore the quality of public services, but companies regard product quality and service quality as the vitality of the company's survival and development. Standardization and careful operation are the essential requirements of market operations, and they are also capitals that have won the government and the public. The marketization of public services enables multi-party suppliers to regard the actual requirements of consumers as the first principle of producing services. Therefore, the public sector will no longer be the only supplier, which ultimately improves the quality of public services.

3.2 Conducive to reducing the cost of public services

In the past, due to the singularity of suppliers, the public sector was usually responsible for fulfilling the various requirements of consumers, and a large amount of resources, including natural resources and social resources, were often spent. Marketization can ease the supply pressure of the public sector, because participation by other entities such as non-governmental organizations, governments, and private organizations will surely bring market effects and focus on cost accounting. In addition, enterprises are usually more motivated and vigorous than the government to rationally arrange the market size and pursue a balance between supply and demand, so they can well comply with the law of market development. In addition, corporate costs are generally lower than government costs. Therefore, the implementation of the marketization of public services is conducive to reducing the cost of providing public services to the entire society.

3.3 Conducive to integrating social capital and optimizing resource allocation

Market-oriented operations can encourage the government to bring more opportunities for private capital and enhance the flexibility of public services. By thinking about the needs of consumers and urging them to use them, we can realize the personalization, humanization and convenience of public services, so that a large amount of idle social funds can be effectively used. Encourage the expansion of private enterprises and the private sector, promote macroscopic or sectoral efficiency and competitiveness, improve economic adaptability, limit rigidity, break monopoly, and promote competition. At the same time, promote domestic investment, attract foreign investment, maintain employment levels, and create job opportunities.

3.4 Conducive to improving the government's ability to modernize governance

The modern governance system requires the government and society to coordinate governance, so as to achieve multiple cooperation and multiple supplies. Market participation in public services is conducive to enhancing citizenship and government market awareness; it is conducive to improving the efficiency of the public sector and its competitiveness at home and abroad; it is conducive to reducing corruption and improving government prestige. The maturity of the market, society, and citizens is the fundamental element for improving the modern governance system and improving the government's modern governance capabilities.

4. Problems in the marketization of public services

4.1 Easy to cause fairness issues

In practice, the existence of the principle of equivalent exchange leads to lower public services for those with low or incapable ability to pay, or lack of access to public services, thus forming a hierarchical situation. Under the condition of insufficient total supply, the acquisition of groups with low ability to pay cannot be consistent with their basic living needs. As we all know, producers take profit as their goal, and projects with large profits are actively

supplied; when profits are small, they may be supplied passively. In other words, low-income people may not be able to enjoy the services they should have, thus making the reform lack fair.

4.2 Easily lead to oligopoly

The effectiveness of the market comes from the degree of freedom and reality of competition, and the driving force of competition is profit. However, the characteristics of public service marketization are its publicity, low profitability and specificity, which may affect and determine the level of competition among sellers. However, due to the lack of seller competition in the public service market, it is difficult to form a competitive situation, which will inevitably lead to oligopoly. Monopolists may increase prices by restricting output, gain additional revenue, and reduce market efficiency.

4.3 Information asymmetry is easy to appear

In the process of reform, if it is completely handed over to the market, both parties to the transaction are prone to information asymmetry, the price is no longer a clear signal to guide the flow of resources, and consumers may buy poor quality products at higher prices. Commodities; products or services provided by suppliers may not be needed. Such potential transactions that benefit both parties may not be reached, or even if they are reached, the efficiency is not high. Under the conditions of information asymmetry, the resulting results may become inefficient for society.

5. Perfect countermeasures for the marketization of public services

5.1 Follow the rules of market competition

Public service takes fairness and justice as the bottom line, and the original intention of the reform is to improve its service efficiency and reduce the burden on the public sector. However, in actual operation, certain public service providers aim to make profits, making efficiency the highest value pursuit of public services, overemphasizing efficiency and effectiveness, harming social fairness and justice, and weakening the credibility of the government. In addition, public services are based on fairness, and attention must be paid to avoiding and preventing the possibility of ignoring them. No matter how marketized it is, public departments must adhere to basic government functions, shoulder their due responsibilities, and ensure the orderly operation of the market-oriented reform of public services.

In order to avoid the occurrence of monopoly to the greatest extent, internal market competition can be used to change the public sector's monopoly of public services in the past, follow the basic principles of the market, develop and cultivate a variety of social organizations, establish multi-party supply entities, and form intense competition Environment to maximize the free choice of enterprises and people.

5.2 Give full play to the role of information technology

The general public is the recipient of public services, so public satisfaction is an important criterion for public service quality evaluation. Whether it is a government or a social organization, it must fully listen to the opinions of the people when making decisions and make corresponding adjustments. The development of information technology has provided convenience for it. Therefore, public service providers must actively use online platforms to update official websites, microblogs and other online communication media in a timely manner to make information timely, actively accept and absorb public opinion, and build efficient interactions. platform.

5.3 Improving the relevant legal system

It is necessary to improve the relevant legal system, perfect systematic and unified market access rules, such as access qualifications, operating methods, etc., and implement specific and operable methods. The construction of laws on competition and anti-monopoly should be strengthened, and bidding and bidding systems should be established and perfected so that projects can be contracted by credible and qualified providers, so as to provide high-quality and efficient public services. The government must use laws to define and protect suppliers' investment rights, operating rights, and income rights, and establish a complete and effective legal and regulatory environment.

5.4 Innovating market-oriented reform technology

First of all, it is necessary to improve market operation technology, mainly to strengthen the public sector's relevant business and knowledge training, such as contract formulation, negotiation skills, etc.; second, to standardize the operation of specific reform methods, such as the size of public service costs. Define and improve the transparency of all aspects of information; finally, it is necessary to make full use of new media technology, management technology, etc., mature reform technology can provide strong technical support for the government in evaluating the value or effect of third-party providers, so that the reform can be Run on a regulated track.

Conclusion

The market-oriented reform of public services is an institutional change, which is conducive to satisfying the public's requirements for public services, enhancing the government's credibility and authority, and also conducive to striking a balance between the government and third parties and the market, so that the quality and quantity of the government can be obtained. Improve and increase the efficiency of the public sector. It should be noted that in the process of market-oriented reform of public services, countries must adapt to local conditions, fully understand the actual situation, analyze specific issues, continuously improve the market environment, actively explore multiple market-oriented reform models, and steadily promote the marketization of public services.

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