BOOK REVIEW


Public Procurement is a two-volume set, consisting of 52 reprints from edited books and academic journals such as European Journal of Purchasing and Supply Management, Fiscal Studies, International Journal of Public Sector Management, Journal of Law and Economics, Journal of World Trade, New York Law School Law Review, Public Procurement Law Review, etc. Each volume is divided into “parts,” each covering a different theme, issue or problem in public procurement. Volume I (572 pages long, excluding 19 pages of “Introduction,” two pages of table of contents, and two pages of acknowledgements) consists of the four following parts:

- **Part 1. Outsourcing versus Internal Provision.** This part has five reprints covering transaction cost economics of contracts, and competitive tendering and contracting as follows:


**Part 2. The Approach to Procurement in the Public Sector: Competition and Transparency.** This part covers such issues as counter-speculation, auctions, and competitive sealed tenders; franchise bidding for natural monopolies; the United Nations procurement law model, the Japanese public procurement system, the economics of partnership sourcing; and purchase cards and micro-purchases in six following reprints:


**Part 3. Corruption.** This part has four reprints covering approaches to fighting corruption, including the following:


- Part 4. Public Procurement as a Tool of Industrial, Social and Environmental Policy. This part explores public procurement as a tool of industrial policy, an instrument of poverty alleviation and job creation, and the pursuit of human rights in the following six reprints:


- Jose Maria Fernandez Martin, and Oliver Stehmann (1991), “Product Market Integration Versus Regional Cohesion in the Community,” European Law Review; and


Although the heading of this part indicates public procurement as an “environmental policy,” no reprint specifically addresses this issue.

In addition to the above parts, Volume I has an introduction chapter that provides a brief summary of all reprints and explains how the book is organized. Each part follows broadly the same pattern: first one or more articles providing an overview of the topic (normally dealing with theory and policy); then articles that illustrate the practical response to the issue in particular jurisdictions or systems, including the legal or administrative rules that have been applied; and finally, where available, articles describing key empirical work that has been conducted to test the effectiveness of the theories and practices discussed in the other articles. Moreover, the articles are arranged chronologically, except articles providing an overview of the topic. The editors note that some of the articles deal with two or even all three of these aspects.

Volume II (784-page long, excluding three pages of table contents and three pages of acknowledgements) consists of the six following parts:

- **Part I. Public Procurement as a Barrier to Trade and Its Regulation under International Trade Agreements.** This part covers public procurement in the European Community, and public procurement under international trade agreements.


**- Part II. Enforcing Public Procurement Rules.** This part has five reprints covering issues of bid protests and remedies:


**- Part III. Defense Procurement.** This part has seven reprints addressing the issues of defense procurement’s economic incentives, maintenance contracting options, procurement nexus, procurement protests, and defense procurement in Germany, the United Kingdom, and the United States:


- **Part IV. Contracting.** This part has three reprints, which include defense contracting and extensions to price caps, incentives in government procurement contracts, and advanced technology projects and international procurement:


- **Part V. Defence Industry Profits.** This part has five reprints covering various issues such as profit formula, risk and return in the defence market, and negotiations.


**Part VI. Liberalization of Defense Markets in Europe.** This final part covers defense procurement in Europe in three reprints as follows:


- Martin Trybus (1998), European Defence Procurement: Towards a Comprehensive Approach,” *European Public Law*; and


Public procurement is important for two major reasons: in many countries, it represents a significant proportion of economic activity, and it has become an effective tool that government entities use to achieve socio-economic policies (Arrowsmith & Hartley, 2002; Callender & Mathews, 2000; Thai, 2001; Thai & Grimm, 2000). However, public procurement as a function of government has been a neglected area of research and education (Arrowsmith & Hartley, 2002; Carter & Grimm, 2001, Thai & Grimm, 2000; Thai, 2001). Thus, there are not many scholarly publications in public procurement (Thai & Grimm, 2000).
Given the current status of public procurement publication, Public Procurement (hereafter “the books,” a sizable publication consisting of two volumes and 52 reprints, excluding “Introduction”) is an excellent selection of published articles and chapters covering many areas of public procurement. The introduction chapter provides a comprehensive overview of this complex function of government. The books cover major areas of the public procurement field, including transparency, corruption, defense, public procurement as a socio-economic policy, and procurement under trade agreements, with particular focus on European trade agreements. Absent a good “introduction to public procurement” text, this two-volume set is a useful source of reference for researchers, an excellent publication for those readers who want to gain knowledge in public procurement, and even a potentially valuable textbook for a college course in public procurement.

However, those who read these two volumes need to be aware of several shortcomings. As mentioned, Part 4 of Volume 1 does not have a reprint that addresses the issue of green procurement as indicated in its heading. First, in practice, many government entities require green procurement and public procurement officers have tried to implement this requirement and deal with hard choice between cost and green procurement. The editors should drop “Environment Policy” from “Public Procurement as a Tool of Industrial, Social and Environmental Policy” in Part 4 or add at least one of the numerous publications or reports on this issue.

Second, too much attention is given to defense procurement, particularly in Volume 2. Although defense procurement spending is sizable, non-defense procurement spending is much larger, at least twice the size of defense procurement spending. Non-defense procurement, particularly information procurement, is not any less complex than defense procurement.

Third, the book editors (p. ix) state: “Despite the scale and complexity of government purchases, the field of public procurement has remained a relatively under researched area amongst economists, lawyers and other social scientists.” In reality, public procurement law has been a major area of research: there are many publications in this area, including two relatively old journals, Public Contract Law Journal (published almost 30 years ago by the Section of Public Contract Law of
the American Bar Association) and Public Procurement Law Review (published in the United Kingdom, about a decade ago).

Finally, public procurement practitioners in the United States may be bothered by the fact that the editors ignore their role in the public procurement functions. Arrowsmith and Hartley (x) state: “Economists are fond of formulating policy rules and guidelines for efficient public procurement and government contracting.” As public procurement has become a recognized profession (Callender & Mathews, 2000), procurement professionals are the ones who play the most important role in formulating procurement rules and guidelines. Economists do not possess the type of knowledge and skills for this role.

In summary, despite the above shortcomings, Public Procurement is one of the most comprehensive publications in this underdeveloped field of study.

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NOTE

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REFERENCES


