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# Public-Private Partnership and Resolving the Societal Crisis Caused by the COVID-19 Pandemic

I Yu Vaslavskaya<sup>1</sup>, Y I Vaslavskiy<sup>2</sup>

<sup>1</sup>Department of Enterprises and Organizations' Economics, Kazan Federal University, 18 Kremlevskaya str., 420008, Kazan, Russian Federation

<sup>2</sup>Department of Political Theory, Moscow State Institute for Foreign Relations (MGIMO University), 76/1 Vernadsky avenue, 119454, Moscow, Russian Federation

E-mail: vaslavskaya@yandex.ru

**Abstract.** COVID-19 triggered several crises, one of which arose in the social sphere. Societal crisis manifested itself in the growing distrust of ordinary citizens to the state, in the negative consequences for them of the forced restriction of social communication due to the lockdown, and in the understanding of the discrepancy between their own individual values and the generally accepted norms of behavior in society, specified by formal institutions. These social problems have only increased the quality of uncertainty of the post-coronavirus pandemic reality. A rise in uncertainty will lead to increased precautionary savings among households and delayed business investment. Against this background, social polarization in society, growing unemployment, poverty and impoverishment of citizens have further increased their negative attitude towards the state and society as a whole. As a result, overcoming the consequences of the societal crisis in national communities has become almost the highest priority along with the problem of epinomics. Its solution lies in the gradual restoration of partnerships between society, firms, citizens and the state. The most important place is occupied by public-private partnership in any public sector, including socially significant infrastructure projects. However, significant progress in this area is unambiguously due to serious adjustments that the state must make to formal institutions that ensure an equal partnership between the state and the business. At the same time, the specification by formal institutions of expert functions of the state and increasing the importance of private investment in the project will allow using the partnership between the state and private business as a platform for testing various forms of inclusiveness of public and private participation, aimed at restoring public confidence and societal integrity of society.

## 1. Introduction

The rapid spread of COVID-19, which threatens human life, served as a test base for assessing the adequacy of national states in their function of protecting the life and health of their citizens, checking the quality of interaction between society and the state, the individual and society, citizens and the state. The severity of the pandemic trials was manifested in the timeliness of the introduction of emergency in their countries and regions, in the adequacy of citizens' compliance with self-isolation regimes as a function of their confidence in the actions of their state and individual desire to follow the extraordinary norms of behavior introduced in society in connection with the COVID-19 pandemic. So the coronavirus exposed the main "spring" of modern societies, which was unable to dampen the consequences of an unexpectedly emerging, nature-generated infection, dangerous to human life. It is about the institutional



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structure of national economies, which is designed to ensure the most effective interaction between citizens, society and the state in all spheres of society's life in any emergency. However, in the context of COVID-19, the introduction of national lockdown regimes has had a negative effect, exposing many social problems that divide society and destroy its integrity in extreme circumstances. The restoration of social cohesion has become extremely important, which is an objective condition for a rapid economic recovery after a lockdown and a guarantee of an adequate choice of an acceptable scenario for the development of events in the case of a second wave of exponential spread of coronavirus.

It is the societal problems of society that make to pose the age-old Russian questions: "who is to blame?" and "what to do?" in the process of weakening the first wave of the COVID-19 pandemic. On the one hand, the main claims of citizens are presented to the state. But, on the other hand, their main aspirations to regain their previous financial position, and often their social status, are also associated with the state. Boston Consulting Group's (BCG) experts write the following about this: "At least as important, the willingness for change is there. Citizens want to see a path forward to a bright future. Business leaders will eagerly support the long-term growth it will unleash. And investors will fund it.» [1].

Almost all experts admit that the global world will greatly change in the post-COVID-19 reality. But citizens and society and a societal crisis will remain in it, if its consequences are not promptly eliminated. Moreover, it is the formal institutions at the disposal of the state that will be the main tools for restoring the societal integrity of national communities. Public-private partnership (PPP) may well become the most acceptable platform for the government to test new mechanisms for its provision. It is PPP that mediates social interaction of the state with a private investor in the implementation of socially significant projects, for example, in infrastructure. At the same time, it was the formal institutions in the hands of the state that largely impeded the development of PPPs before the coronavirus. Now the state gets a second chance and at stake is the most difficult problem of restoring societal integrity, on which the socioeconomic dynamics of national communities depends in the post-COVID-19 future.

## 2. Methodology

### 2.1. COVID-19 societal crisis and failure of the modern state in fighting the coronavirus pandemic

COVID-19 has brought the socio-economic progress to a screeching halt. Hundreds of thousands of people have died and entire sectors of the economy have stopped functioning. And it all happened because human-made systems failed to prevent novel coronavirus disease from becoming a pandemic. Moreover, it was human activity that, in fact, generated this infection due to human disturbance of ecosystem. As a result, the failure of national governments to quickly stop the spread of COVID-19 has plunged the countries of the world into a crisis unprecedented in history. This resulted in extraordinary human and economic losses. According to Johns Hopkins Centre for Health Security as of August 26, 2020 the number of people coronavirus infected on the planet reached 24 million people, of which the number of deaths was estimated at 0.8 million. As of June 2020, governments and international organizations have invested close to \$9 trillion to try to prevent the most immediate human and economic impacts [2]. But despite these efforts, the global economy is expected to contract by 3% in 2020, affecting the jobs and livelihoods of millions of people. Nature-related risks have precipitated a Great Deceleration and a structural economic crisis.

Moreover, the most important of these structural changes is predetermined by the societal crisis, generated by the COVID-19 pandemic. The latter is the result of the failure of the national governments and of their formal institutions to restore and safeguard the societal integrity during the spread of coronavirus infection. In other words, the state has demonstrated its inability to adequately fulfill its main function - to protect the health of citizens in the face of a growing threat to their lives, using a highly effective national health care system.

The only thing in which national governments have proved to be "effective" is the introduction of emergency regimes of lockdowns. Kristalina Georgieva, IMF Managing Director, associated the current period with 'the Great Lockdown' because to fight a health emergency the national governments have

brought production and consumption to a standstill. This has never been done before [3]. As a result by the end of 2020, 170 countries—almost 90 percent of the world—will be worse off with lower per capita income. Finding themselves in isolation, citizens were able to rethink their individual values, to compare them with social norms in society, to see the inability of national governments to protect their lives, to maintain their social status and ensure a stable future for their families. In such conditions, the individual strategy of citizens' behavior can be adjusted in the future for the priority achievement of individual values, even if they contradict the generally accepted ones in local societies. It is in this context the BCG' experts have treated the COVID-19 outbreak as the first and foremost a societal crisis [4].

And, meanwhile, the societal integrity of society is the foundation of its stability, since it is due to the dominance of socially significant norms of behavior in comparison with individual values, as well as loyalty (trust) to the state and its actions, especially in extreme situations such as COVID-19. If societal integrity is destroyed, then the state is forced to use formal institutions to combat the societal crisis as a priority as a punishment mechanism for the opportunism of citizens who do not share the government's actions aimed at combating the coronavirus. As a result, trust between citizens, society and the state acting on its behalf is further eroded.

## *2.2. Formal institutions and elimination of consequences of the societal crisis caused by coronavirus infection*

Long before the COVID-19 pandemics theorists took their best to find out the reasons for the low efficiency of state activity in national socio-economic systems. They linked the main reason with the problem of priority choice of budget expenditures in relation to the three main groups of functions of the state. V. Tanzi [5] called that problem the "triad" of R. Musgrave. Triangle angles were associated with the fundamental state functions: (1) of allocating resources, (2) of redistributing income (equality in income distribution), and (3) of in economic stabilization (economic efficiency) [6]. The budgetary constraints of the state did not allow it to finance them equally, which objectively predetermined his choice of any two groups of expenses out of the three available. This essentially fiscal problem was compounded by the fundamental contradiction inherent in the phenomenon of the state itself. On the one hand, the state does not have its own interests, since society created it solely for the purpose of serving the public interest. On the other hand, the society has no adequate means for the operative assessment of the effectiveness of the state's activities. And given the significant financial resources redistributed by society to the state budget for the purpose of financing the production of socially significant goods, its activities become opaque, corrupt and often self-sufficient. This phenomenon is also predetermined by the fact that the state is contradictory in essence, acting both as a subject and as an object of regulation [7].

In the context of a societal crisis, the institutional aspect of the ineffectiveness of the state's action in the socio-economic system is of paramount importance. Really the state is authorized by society to institutionalize structural relations in the society. Therefore, in essence, answers to questions about the inefficiency of the state must be sought in the dialectic of formal institutions. The institutions themselves are associated with the dialectic of the interconnections between the mechanisms of observance of socially established norms of behaviour and of punishment for their violation. If citizens and private business share the values of society, then the significance of punitive actions of the state through formal institutions is minimized. If these social values do not coincide with the priorities in the views of citizens, then the state uses formal institutions as a punishment mechanism for their opportunistic behavior. It is in this case that the inefficiency of the state in all its actions is maximized. And it is in this capacity that formal institutions contribute to the deepening of the societal crisis today, which largely determines the low efficiency of any actions of the state.

At the beginning of 2020, it became obvious that national states were not able to repel this fundamental threat. Even taking into account the unprecedented decline in economic activity, the social crisis is still the main problem of mankind due to the COVID-19 pandemic. One of the most striking manifestations of the societal crisis is the lack of citizens' support for the self-isolation regime introduced by national governments. These and other societal contradictions, fixed by formal institutions before

COVID-19, specify the fragmentation of values in the representation of society and of its citizens, on the one hand, and of citizens and of the state, on the other. As a result the COVID-19 pandemics have revealed many injustices and weaknesses due to activities of governments that have already existed in human-built national societies. Rabbi Jonathan Sacks is sure that if people were blind to these faults before, it is hard not to see them now [8]. It is formal institutions which could become an effective means of the state's and citizens' collaboration and of coordination of the value priorities of individuals and of the state as the great foundation of the societal integrity of national communities [9].

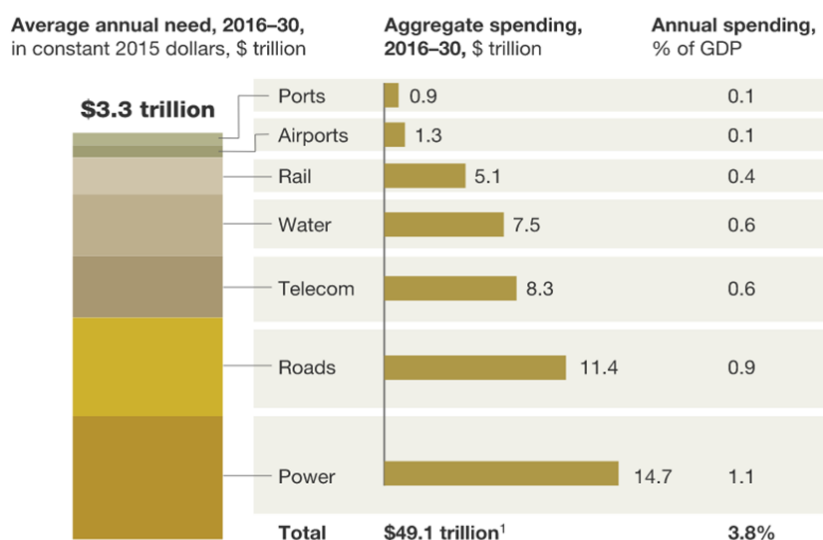
### *2.3. PPP and state approbation of formal institutions aimed at restoring societal integrity*

The change and uncertainty created by COVID-19 must become a powerful catalyst for positive change in government as well as in formal institutes. But to seize this opportunity, governments need to step back and think about the long-term implications of the pandemic—and reimagine the phenomenon of societal crisis and their future activities in the new uncertain reality. According to the experts of the BCG, “those that do will navigate more effectively through the current crisis—will be ready for the next one” [10]. For these purposes, it is necessary to prioritize the need to develop policy solutions for the societal crisis at the end of the first wave of the COVID-19 pandemic. First, one should take into account the specifics of formal institutions that mediate the dialectics of interaction between mechanisms for the implementation of socially significant norms of behavior, on the one hand, and punishment for their violation, on the other. Secondly, it is necessary for the state to rethink the phenomenon of social integrity as the key one in any conditions, including the emergency situation with COVID-19 and to understand that its achievement is possible only with the dominance of the first of the two mechanisms of institutionalizing structural ties in national communities. It is these provisions that should be taken into account by the state when making political decisions in the field of epinomics. However, these decisions will have an effect with a lag in time, since they should be preceded by the state's awareness of the objective need to revise its role in the institutionalization of structural ties in society. For the effect to be achieved, it is necessary to focus on the constructive (rather than destructive) capabilities of formal institutions. First of all, it is about the adequacy of the assessment of the individual values of citizens in their families, as well as members of society, as employees of firms, as active participants in social communications, as voters, etc. Limiting itself to the dominant individual priorities, the state must understand the reasons for their differences in understanding by citizens, society and the state, as well as provide an expert assessment of the set of actions of the state and the specific characteristics of formal institutions that will cause an increase in the sphere of coincidence of individual and socially significant preferences. And that's not all, since the slightest mistake is fraught with significant social and economic losses. Formal institutions modeled by the state should be tested in a systemically important area. And only if successful - restoring citizens' loyalty to the policies of national governments - can they be implemented on a large scale, focusing on the successful resolution of the societal crisis caused by the coronavirus pandemic.

There is now a strong case for PPPs to take a bolder role in addressing the society's major issue. In the case of societal crisis statesmen place the common good above their own interests and actively work to shape the context [11]. The partnership between the state and private business is promising from the point of view of eliminating the essential cause of the modern societal crisis, since it is built on the coinciding interests, preferences and values of partners. In addition, PPP refers, as a rule, to long-term, capital-intensive and socially significant projects. This means that the implementation of PPP projects in the field of public goods implies a significant number of stakeholders who, through their actions, transmit consent (disagreement) with each other's actions, including the state.

At the same time, the economic aspect of PPP is difficult to overestimate. On the eve of COVID-19, the functioning infrastructure of different countries could hardly cope with demand. As for the post-COVID-19 future, while reducing the cost of PPP during a pandemic, the problems will only get worse. Late 2010s the world invested some \$2.5 trillion a year on transportation, power, water, and telecommunications systems. Yet it was not enough—and needs were only growing steeper. In a follow-up to its comprehensive 2013 report *Infrastructure productivity: How to save \$1 trillion a year*, the

McKinsey Global Institute finds that the world needed to invest an average of \$3.3 trillion annually just to support currently expected rates of growth (exhibit). Emerging economies will account for some 60 percent of that need (Fig.1).



**Figure 1.** The dynamics of the global needs to invest in economic infrastructure for the period of 2016-2030. Source: McKinsey Global Institute (2013). *Infrastructure productivity: How to save \$1 trillion a year.* McKinsey & Company.

Note: The estimate of total demand is lower than the \$57 trillion projection in previous MGI research. It has been adjusted for the following reasons: the projection covers a 15-year period (2016-2030) rather than an 18-year period (2013-2030); water numbers have been reduced by 40%, as Global Water Intelligence adjusted its water capital-expenditure definition to exclude equipment spending; base-year prices have been revised from 2010 to 2015; and GDP growth forecasts have been revised downward by IHS.

Despite glaring gaps and understood importance of shoring up backbone systems, infrastructure investment actually declined as a share of GDP in 11 of the G20 economies since the global financial crisis of 2008-2009. It was about the European Union, the United States, Russia, and Mexico. By contrast, Canada, Turkey, and South Africa increased investment. If the current trajectory of underinvestment continues, the globe will fall short by roughly 11 percent, or \$350 billion a year. The size of the gap triples if the additional investment required to meet the new UN Sustainable Development Goals is included. So it becomes therefore critical to get finance flowing into urgently needed projects.

A great deal of attention has focused on connecting institutional investors with projects that need their capital as well as creating an expanded role for public-private partnerships. But the vast majority of infrastructure will likely continue to be financed by the public and corporate sectors.

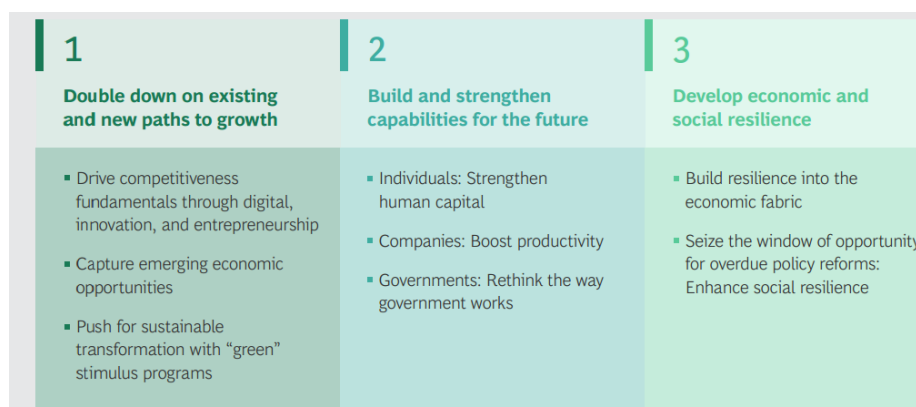
Even in the face of fiscal concerns, there is substantial scope to increase public infrastructure investment. Governments can increase funding streams by raising user charges, capturing property value, or selling existing assets and recycling the proceeds for new infrastructure. In addition, public accounting standards could be brought in line with corporate accounting so infrastructure assets are depreciated over their life cycle rather than immediately adding to deficits during construction. This change could reduce pro-cyclical public investment behavior.

Corporate finance makes up about three-quarters of private finance. Unleashing investment in privatized sectors requires regulatory certainty and the ability to charge prices that produce an acceptable risk-adjusted return, as well as enablers like spectrum or land access, permits, and approvals. Beyond ramping up finance, there is even bigger potential in making infrastructure spending more efficient and effective. Only improving project selection, delivery, and management of existing assets could translate

into 40 percent savings. Virtually every location needs to build expertise and establishing the right organizational structures for developing critical skills and sharing best practices. This effort can pay remarkable dividends, since infrastructure influences the quality of life for citizens everywhere and paves the way to productivity growth and competitiveness.

The partnership between the state and private business is promising from the point of view of eliminating the essential cause of the modern societal crisis, since it is built on the coinciding interests, preferences and values of partners. From viewpoint of the expert of the BCG, there are three priorities that must be priorities for governments around the world (Fig. 2).

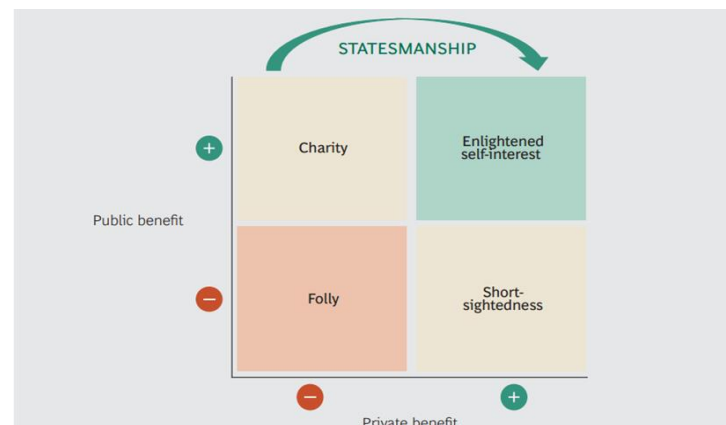
Institutionalization of PPP projects in socially significant areas, in addition to concrete demonstration of a positive effect for citizens, is able to demonstrate to private business that it is increasingly stepping up on sustainability and corporate responsibility. And this in no small measure is because of growing evidence of a positive link with financial performance. This alignment of finance with corporate responsibility could make a significant contribution to rebuilding the societal integrity in terms of environmental stewardship, workplace conditions, and good governance. In essence corporate responsibility is a long-term maximization of self-interest in which private investors ensure that they don't damage themselves by undermining their own environments. In other words, the adequate institutionalization by the state of organizational forms for the implementation of PPP projects makes it possible to expand the sphere of coincidence of the priorities of firms (employees employed by them), society and the state.



**Figure 2.** The main priorities of the institutional provision of PPP projects by the state to eliminate the consequences of the societal crisis due to the COVID-19 pandemic. Source: Boston Consulting Group analysis.

This is where the government's policy is being implemented to minimize the negative consequences of the societal crisis. Corporate responsibility is fundamentally about individual values and actions, in ways that are compatible with common interest. In other words, it means "doing well by doing good" within an existing policy of fighting the societal crisis caused by COVID-19 shock (Fig. 3).





**Figure 3.** Fighting the societal crisis as the institutionalization of coincident interests of private business and government when organizing PPP projects. Source: Brimmer, Amanda, Vincent Chin, Patrick Hayden, Troy Thomas, Alexander Türpitz, and Yvonne Zhou (2020). *Beyond the Curve. How to Restart in the Wake of COVID-19*. April. The Boston Consulting Group's Henderson Institute.

So the COVID-19 crisis renews focus on issues that are structural and economic—that transcend the personal and the political. Many of those issues could have been addressed a long time ago as well as the tools and techniques. But the COVID-19 pandemic has become the right time to look forward and to begin the hard work of rebuilding national societies and economies for the bright post-COVID days ahead. The resolution of the societal crisis is in many respects consonant with the implementation of the UN people-first model that is meant to be consistent with the Sustainable Development Goals (SDGs). So the public-private partnerships would be made “fit for purpose” and oriented towards meeting the needs of “people-first”. In this case the UN people-first model stipulates five desirable outcomes (UN-5) that can be applied to infrastructure PPP projects (Table 1).

**Table 1.** UN-5 People-first Outcomes.

Access	Resilience	Effectiveness	Replicability	Engagement
Increase access to essential services and lessen social inequality and injustice	Enhance resilience and responsibility towards environmental sustainability	Improve economic effectiveness and sustainability	Promote replicability and the development of further projects	Fully involve all stakeholders in the projects
<ul style="list-style-type: none"> <li>– Increase access to water &amp; sanitation, energy, etc.</li> <li>– Consider the needs of the socially and economically vulnerable</li> <li>– Contribute to eliminating inequalities</li> </ul>	<ul style="list-style-type: none"> <li>– Develop resilient infrastructure</li> <li>– Improve environmental sustainability by cutting greenhouse gas emissions</li> <li>– Develop “circular” rather than linear projects</li> </ul>	<ul style="list-style-type: none"> <li>– Deliver projects that achieve value for money and fiscal sustainability</li> <li>– Projects are transformative with sustainable measurable impact</li> </ul>	<ul style="list-style-type: none"> <li>– Replication and scale are key to the transformational impact required by the 2030 Agenda</li> <li>– Consider whether the local staff and governments have the capacity or receive the necessary training to do similar projects</li> </ul>	<ul style="list-style-type: none"> <li>– Engage all stakeholders directly involved in the project or directly or indirectly affected in the short/long run</li> <li>– Create new means for integrating special groups who have played a limited role to date</li> </ul>

Source: UN, World Economic Forum's Global Future Council.

### 3. Results and discussion

As a result the strong economic recovery will benefit everyone if it depends on improved social safety nets and adequate forms of PPPs organization [12]. In this case, it is necessary to be aware of serious financial problems that can only be solved on the basis of broad-based fiscal partnership. This includes mixed public-private investment in health care, infrastructure, and climate change [13].



Policymakers should choose how to invest for the future in a fiscally prudent way, adopt well-planned discretionary policies to stimulate demand, and enhance social safety nets and unemployment benefits [14]. The author presents an experimental model of the institutional matrix, which makes it possible to choose an adequate form of PPP organization for implementing socially significant projects in the field of climate change and when other SDGs are achieved. The author's approach to the theoretical characterization of PPP forms implies the need to include all the basic types of their organization: quasi-market, hierarchical and hybrid, as well as all of their many modifications. And that is the broad interpretation of public-private partnerships [15]. Each individual basic type of PPP organization (its institutional matrix) contains many potential sub-options for its reproduction [16].

In the matrix construction of PPP organization forms, the author limited them to three basic structures (quasi-market, hierarchical, and hybrid). To simplify the construction of the institutional matrix, the author used its square version with three rows and three columns. Let matrix  $A$  represent the preferences of the private partner when choosing PPP organizational forms for the implementation of a transaction with the public good [17]. Each element of the row of matrix  $A$  indicates the preference of a private business for a particular form of PPP organization. The final preference of a private partner will be indicated with the symbol  $a_{ij}$ , and their modifications - from the quasi-market to hierarchical and hybrid - will vary from 1 to 2 and 3 depending on transaction costs per line (index  $i, i = 1, 2, 3$ ) and depending from delegation of ownership of property in columns (index  $j, j = 1, 2, 3$ ). Then the elements of the row with the number  $i$  can be represented as  $(a_{i1}, a_{i2}, a_{i3})$ , and the elements of column number  $j$  -  $(a_{1j}, a_{2j}, a_{3j})$ . The following is a matrix  $A$  of preferences of a private partner with respect to PPP organization forms in the form (1)

$$A = \begin{pmatrix} a_{11} & a_{12} & a_{13} \\ a_{21} & a_{22} & a_{23} \\ a_{31} & a_{32} & a_{33} \end{pmatrix} \quad (1)$$

Arguing in a similar way, the author constructs matrix  $B$  (2) taking into account the interests of the state in relation to the forms of organization of PPPs and designates them with a symbol  $b_{ij}$ , and their modifications - from the quasi-market to hierarchical and hybrid - will vary from 1 to 2 and 3 depending on transaction costs per line (index индекс  $i, i = 1, 2, 3$ ) and depending from delegation of ownership of property in columns (index  $j, j = 1, 2, 3$ ). Accordingly, the rows of the matrix  $B$  are denoted by  $(b_{i1}, b_{i2}, b_{i3})$ , and the columns - by  $(b_{1j}, b_{2j}, b_{3j})$ .

$$B = \begin{pmatrix} b_{11} & b_{12} & b_{13} \\ b_{21} & b_{22} & b_{23} \\ b_{31} & b_{32} & b_{33} \end{pmatrix} \quad (2)$$

The final "institutional matrix"  $C$  (3) is a form of PPP organization, regarding which the preferences of the state and its private partner coincide. For this purpose the matrices  $A$  and  $B$  are multiplied, and the rows and columns of the resulting "institutional matrix"  $C$  (3) are obtained below:

$$C = \begin{pmatrix} a_{11} & a_{12} & a_{13} \\ a_{21} & a_{22} & a_{23} \\ a_{31} & a_{32} & a_{33} \end{pmatrix} \times \begin{pmatrix} b_{11} & b_{12} & b_{13} \\ b_{21} & b_{22} & b_{23} \\ b_{31} & b_{32} & b_{33} \end{pmatrix}. \quad (3)$$

As a result, below there are the rows and columns of the final "institutional matrix"  $C$  (4):

$$C = \begin{pmatrix} c_{11} & c_{12} & c_{13} \\ c_{21} & c_{22} & c_{23} \\ c_{31} & c_{32} & c_{33} \end{pmatrix}, \quad (4)$$

where

$$c_{ij} = a_{i1}b_{1j} + a_{i2}b_{2j} + a_{i3}b_{3j}. \quad (5)$$

Thus, matrix (4) is a set of alternative forms of organizing PPPs ("institutional matrices") of its three basic options (quasi-market, hierarchical, and hybrid), for which the preferences of PPP partners — public and private — coincided. This is the logic of constructing a simple matrix model, which can be applied to any institutional matrix that describes PPPs under the condition of a certain meaningful filling of its cells.

#### 4. Conclusion

The COVID-19 pandemic has led to a near total shutdown of social and economic activity in all corners of the world. According to IMF the global economy will contract by 3% in 2020, a bigger downturn than in the 2008–2009 financial crisis. Restarting economies and life will be the defining government challenge of post-COVID-19 future. As a result, governments must develop a resilient and adaptive strategy for reopening, allowing for adjustments as events unfold and new information emerges. Such a strategy will have three core components. The first is identifying the right factors, such as health care and public readiness, for determining *when* to begin reopening businesses and other institutions. The second is spelling out *how* to reopen, on the basis of a consistent national framework with effective local implementation. The third is managing the uncertainty surrounding the reopening of social and economic life by creating transparency to build public trust and ensuring the strategy can be adjusted to reflect new information and conditions. The third approach is likely to be the most widely adopted. This is largely due to the fact that no economic policy will be successful unless the societal crisis caused by COVID-19 is resolved. It is the restoration of societal integrity that is the main link, the strengthening of which will allow solving the economic problems of national socio-economic systems. And the state has a mechanism to restore the societal integrity of society. It is about formal institutions in terms of their specification of socially significant norms of behavior. In other words, they must be subordinated to the task of harmonizing individual and social values and require approbation at a certain structural level of society, which would represent the interests of citizens, the state, and society. In this regard, various forms of partnership between the state and private business in connection with the implementation of long-term capital-intensive socially significant projects related to public goods are ideal.

Once the strategy is set, governments need to execute in a way that builds public trust and allows for adjustments as conditions change. Public trust and economic confidence are important for maintaining social cohesion and restoring economic growth. Trust in the approach is also important because citizens, businesses, and organizations themselves must play an active role in making the strategy succeed by adapting to the “new normal” behaviors. Overly aggressive enforcement measures caused by formal institutes may undermine public support. That’s why governments should increase the PPP projects in public sector identifying and supporting tools that encourage voluntary positive behavior in the society. Statesmanship, corporate responsibility when realizing PPP public projects make evident a long-term maximization of self-interest and real benefits of following the model “doing well by doing good”.

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