

# The Ethicist: Public versus Private

Why do we allow our politicians and public servants to get away with elevated rhetoric that is not reflected in their actions? (Full disclosure: as a professor, I work in the public sector.)



Ethics (Image by Teodoraturovic [Own work] [CC BY-SA 4.0](https://creativecommons.org/licenses/by-sa/4.0/), via Wikimedia Commons)

Why, when they are caught in an expense scandal or ignore their own promises, do we let them defend their actions on the grounds that 'No rules were broken,' 'Everyone does these things,' or 'Our goals were too ambitious?' Why do we accept their claims of 'confidentiality' and 'the right to privacy' when they are caught spending public money on themselves or hiring their friends for jobs?

When they do these things we are saddened, but not surprised: we don't really expect that things will be done differently—if we did, we would not tolerate their behavior, accept their excuses or put up with partisan defenses of the ethically indefensible.

My concern is not with any particular political party or any

particular person (although I'm sure each of us can point to particular parties and persons whose activities seem to us particularly egregious), but with the political culture that allows these breaches of the public trust to take place, and with the language we use to talk about these things.

It seems to me that there are a number of significant confusions that shape the policies, actions and choices of politicians and public servants at all levels of the system—as well as our responses to those policies, actions, and choices—and to the answers that politicians and public servants give when they are asked to explain and defend them. I thought it might be useful to explore these confusions over a series of articles.

## **Not for Profit**

The confusion I am thinking about today is the widespread misunderstanding of the difference between public institutions (and public sector employees) and private companies (and private sector workers).



Public: Great Hall at Cape Breton University (Photo by MPen92 [Own work] [CC BY-SA 4.0](https://creativecommons.org/licenses/by-sa/4.0/), via Wikimedia Commons)

Public institutions funded with public money (yours and mine) such as hospitals, universities and government ministries, as well as schools and libraries (among other things), exist to address public needs and aspirations—their purpose is to make our communal life better, to reflect shared goals and to demonstrate the privileges and responsibilities of citizenship. These institutions exist not to make a profit, but to enhance the lives and well-being of everyone they affect.

Private sector organizations, in contrast, businesses like Tim Horton's, banks, and fish plants, while they contribute to our lives by providing goods, jobs, and services, exist primarily to make a profit. Moreover, if they fail to do so, according

to the basis on which they exist, they can be allowed to go bankrupt. They are governed, we sometimes say, by the laws of the market, which means that some will win and others will lose, some will survive, and others will not.

Any healthy society today, arguably, needs to offer a mix of public institutions and private ones, and these different kinds of entities need to be kept in a delicate balance with one another. There are things that it makes no sense to leave entirely in the hands of the private sector, such as public transportation, since many bus routes (for example) don't make—and can never be expected to make—a profit. Moreover, there are goods which just societies should provide for their citizens, such as health care and education, and these things should not be expected to make a profit for shareholders. Likewise, there are things that public money should not be spent on: it would be difficult to make a compelling case that governments at any level of the system should provide citizens with easy access to coffee shops or subsidize the production of luxury handbags.

## **Distorted & Deformed**

Of course, the idea that governments should provide us with mocha lattes, London Fogs, and Prada purses sounds ridiculous—as well it should. But what should sound just as ridiculous—and sadly, no longer does—is the idea that public institutions should function as though they are governed by the laws of the market: they should sell themselves with slick advertising, they should compensate their leaders as though they were managing successful private corporations and they should do more than satisfy the needs that they were designed to meet and actually turn a profit.



Private: Prada store, Milan. (Photo by Per Andersson [Nrkan, Own work] [CC BY-SA 3.0](https://creativecommons.org/licenses/by-sa/3.0/), via Wikimedia Commons)

This distorts their mission and deforms their activities. In the university sector, for example—the sector I am most familiar with—upper-level administrators justify large salaries on the basis that this is what they could earn if they ran a company in the private sector, while sessional faculty, many of whom have PhDs and who do most of the teaching, make on average less than minimum wage. Students, meanwhile, whose educational needs the university exists to meet, have to have jobs while they are in school because tuition is so high

When we start talking about public institutions using language and concepts that properly belong to the private sector, we quickly start thinking about them in those ways as well. While it would seem absurd to claim that governments should provide coffee shops for all citizens, it no longer seems absurd or even strange (although it should) to claim that universities should refer to students as “customers” and hire consultants to tell them how to respond to the demands of the market; or that hospitals should be at least partially funded by private donations (and that the person responsible for these fundraising efforts should be paid a hefty salary); or that

services, like the snowplowing of public roads, should be contracted out to for-profit private companies.

What this means is that our public institutions have been corrupted, that a kind of rot has set in, in just the same way that a peach with a spot in it becomes corrupt and rotten as the spot spreads. What we have now is a situation in which the balance between public institutions and private interests are out of whack in a way that is detrimental to the public sector and beneficial to the private. Moreover, we have largely come to accept this imbalance, at least when it comes to the choices that politicians make, and to accept the justifications they offer for making those choices. And the problem is not only that public institutions are now largely expected to operate in ways that serve private interests, it is also that public money is increasingly used to support private companies.

## **Language**

According to the laws of the market, which are supposed to prevail in the private sector, a company should be allowed to go out of business if it fails to make a profit, either because it was reckless, or because it is not producing goods that people want. However, as we saw in the US during the 2008 financial crisis, banks were bailed out with public money, bankers received their bonuses and citizens lost their homes.

And we, the citizens, lose out: public money—our money—is used to subsidize private corporations, at the same time that the services the public sector is supposed to provide are cut back or even eliminated because they are “too expensive.” Moreover, this problem is difficult to discuss, because we are so accustomed to thinking that it is appropriate to talk about the public sector in terms which apply appropriately to the private one and the language we use shapes both the arguments

we can present and the concepts that are available to us. In short, the language we use shapes how we think.

However, the next time you hear a politician say that it is too expensive to build a library or provide subsidized housing to those living in poverty while he justifies the interest-free loan of public money he just offered to a private company because this will “help create jobs,” I hope you will be ready to challenge his operating assumptions!

I have been deliberately using the term “citizen” rather than “taxpayer” in this letter – I’ll tell you more about why I have done so next time...



*Wolfville native **Rachel Haliburton** teaches philosophy at the University of Sudbury. She is working on a book that explores the ethical dimensions of detective fiction.*

The *Cape Breton Spectator* is entirely reader supported, consider [subscribing](#) today!