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*Original Article*

# Book Review: Economics of Legal Relationships (Public Procurement Policy)

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<b>Abstract</b>	Article History
<i>This review on the book titled "Economics of Legal Relationships (Public Procurement Policy)," edited by Gustavo Piga and Tünde Tátrai. This book explores the intricate connections exist between legal frameworks, economic principles, and social considerations in public procurement. This book review highlighted the book's significant contributions to understanding the evolving landscape of procurement policies in light of increasing demands for efficiency, transparency, and social responsibility. The book consists of four main sections, that begins with an analysis of how social considerations are integrated into public procurement processes. It also discusses Martin Trybus' contribution on the tension between traditional procurement objectives the necessity to address social and environmental goals. The subsequent sections in the book delve into the economic and legal complexities of centralized procurement, emphasizing the challenges faced by small and medium-sized enterprises (SMEs) participating in public procurement. The review also addresses the critical role of public-private partnerships for fostering innovation, emphasizes the need for effective demand-side policies onto stimulating private sector investment in research and development. Furthermore, it also discussed the importance of green public procurement as a tool for sustainability promotion, raising critical questions about the effectiveness of current practices and the risk of "greenwashing." Conclusively, the review also underscores the book's relevance to policymakers, practitioners, and scholars, at the same time identified areas requiring further exploration, like the need for a broader international perspective and actionable recommendations. By illuminating the complexities of public procurement, this review also encourages ongoing discourse on leveraging procurement as a mechanism for social change and sustainable development.</i>	Received: 24.12.2026 Accepted: 07.01.2026 Published: 18.01.2026
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<i>Public Procurement, Public Procurement Policy and Green Public Procurement.</i>	

## 1. Introduction

In the evolving landscape of public procurement, the link between legal frameworks, economic principles, and social considerations has become increasingly complex as we ponder. The edited book on "Economics of Legal Relationships (Public Procurement Policy)", curated by Gustavo Piga and Tünde Tátrai, sheds light on this multifaceted arena. The book was published in 2016 by Routledge; through 243 pages it includes contributions from a variety of scholars offering insights into the challenges and opportunities in public procurement systems from different jurisdictions. This book is divided into four specific parts that addresses crucial facets of public procurement policy. The first part in the book focuses on the integration of social considerations into procurement processes. In the subsequent sections, the authors delve into the economic and legal challenges that are associated with centralized procurement systems, also included the role of innovation through public-private partnerships, and the implementation of green public procurement initiatives. Each part in the book presents a unique angle illustrating how procurement can be optimized to serve broader societal goals.

### A. Why this review is important?

Reviewing this book is essential for several reasons. The Economics of Legal Relationships in public procurement is relevant to several stakeholders in any given public procurement system. As it stands from the title and contents, the book highlights its relevance to scholars, policymakers, and practitioners in the field of public procurement. Public procurement represents a significant aspect of government spending and economic activity, influencing various sectors from infrastructure to social services. Through critical analysis of the book, the review

sheds light on how procurement policies can be structured to achieve not only efficiency but also social and environmental objectives. Also, the review emphasizes the evolving nature of public procurement laws and regulations. Given the complexity of integrating social considerations into legal frameworks, the review of the book serves as a guide for understanding the current landscape and enabling readers to appreciate the balance between traditional procurement goals and emerging social imperatives. Furthermore, this book review identifies gaps and limitations within the book, such as its Eurocentric focus and lack of actionable recommendations. This critical lens fosters a more comprehensive understanding of public procurement practices from global perspectives. On the other aspect, the review contributes to the ongoing conversation about the role of public procurement in driving social change.

## **2. Review, Analysis and Synthesis**

The first part of the book is about supporting social considerations via public procurement. This part commences with Martin Trybus' colloquium, Martin Trybus' colloquium explored the integration of social considerations into public procurement, evaluating the compatibility with procurement's primary objectives—value for money, competition, and transparency. A central debate here arises between advocates and opponents of secondary objectives. Critics in this part argues these objectives to complicate procurement processes, increasing of costs, and hindering competition by excluding bidders unable to meet additional requirements. They emphasized on the efficient use of taxpayer money, particularly in times of fiscal constraint. Conversely, proponents argues that governments, as stewards of public resources, have a duty to advance social and environmental policies through procurement alongside traditional legal and economic instruments. This part also highlights the polarized nature of this issue, influenced by political ideologies. In sum, Trybus' work managed to critically examines the role of public procurement in balancing efficiency and social justice, shedding light on its potential and limitations as a policy tool for societal transformation. Discussion in this part of the book also included the insights on social aspects in sustainable public procurement, with consideration on promotion of employment opportunities, decent work, compliance with labor rights, social inclusion, ethical trade, CSR, and SME support (managed to underscore the multifaceted nature of social considerations in public procurement).

Furthermore, Part II of the book is about the economic and legal challenges of centralized procurement. This part starts by discussing various aspects of procurement law, particularly focusing on the EU's Directive 2014/24/EU and its provisions on the design of procurement lots. Giancarlo Spagnolo contribution highlights the significance of lot design, noting that the division of tenders into multiple lots is fundamental in shaping competition and market access. In this very part Spagnolo critiques the Directive's tendency to prescribe overly detailed regulations, arguing that it can stifle innovation by unnecessarily restricting contracting authorities, this is quite a good catch. Furthermore, Spagnolo also discussed the potential benefits and pitfalls of restricting the number of lots suppliers can bid on. The author suggested that while such limitations might prevent monopolistic outcomes, they could also undermine efficiency by preventing suppliers from showcasing their full capabilities. In this context authors advocate for allowing suppliers to bid on all lots while limiting the number of lots awarded to a single supplier, thus maintaining market diversity. This writing also addressed the role of combinatorial auctions in improving procurement processes, highlighting their flexibility in accommodating both small and large firms. However, Spagnolo acknowledges the complexity of designing these auctions and the need for strategic training for procurement officers.

In part II there's also contribution from Christopher R. Yukins, this author focuses on how government procurement rules should be structured to achieve best value with regarding SMEs. This author pointed out that demand aggregation can disadvantage SMEs, and the EU Directive encourages splitting large contracts into smaller lots to provide better access for SMEs. Author argued that this approach helps ensure that small firms are not excluded from public procurement markets. The extended discussion on government demand aggregation highlighted the key challenges and considerations in centralized procurement systems. A central issue here lies in the role of centralized agencies as facilitators rather than leaders. Conclusively, his contribution in the book offers valuable insights into the challenges faced by government demand aggregation systems.

Furthermore, there's another article by Sandeep Verma, Verma provided an insightful exploration of the rules, practices, and rationale behind contract splitting and combining in public procurement frameworks, focusing of

India. Furthermore, author also delves into the global practices of contract splitting, with reference of systems like the U.S. federal acquisition regulation (FAR), France's approach, and the European Union's encouragement of splitting contracts to enhance small business participation. The article further suggested that centralized procurement may ensure better control and visibility, but it also raises concerns over reduced competition and potential inefficiencies. The comparison provided with reference to European and U.S. frameworks shows that while smaller contracts might foster competition and improve user satisfaction, they could also lead to higher procurement spending and logistical complexities. Overall, Verma's exploration of India's procurement frameworks is comprehensive, but it could benefit from more detailed case studies or examples of successful contract splitting practices. This would definitely provide clearer contributions into the practical challenges and benefits of these frameworks in real-world scenarios.

In part there's another article about conditions on lots: "Practical desirability vs. legal acceptability" by Telgen et al. The authors explored on conditional tendering, a technique used in procurement where a tender is divided into separate lots, and specific conditions are imposed that affect the awarding process. The authors highlighted that these conditions may limit the number of lots a single supplier can win or regulate the total number of suppliers for a contract. The practice is prevalent in the private sector but not frequently applied in the public sector due to legal concerns, particularly in the context of EU procurement directives, as opinionated by the authors of this article. Conditional tendering allows buyers to manage supplier diversity and minimize dependency on one supplier, but its legality under EU public procurement law is questioned. Critics argue that such conditions may lead to awarding lots to bidders who did not submit the best bid, which contradicts the principles of equal treatment and transparency.

Jumping to Part III, this part is about innovation through innovative partnerships. This commences with an article by Elisabetta Iossa and Christopher H. Bovis, the authors explored the role of public procurement in driving innovation, particularly in Europe. The authors in this writing highlighted two key objectives: first, improving public services by adopting new technologies; and second, fostering economic growth by encouraging private sector investment in research and development (R&D). The article further outlined the challenges preventing private firms from investing in innovation, like insufficient demand information, excessive risks, and the inability to fully capitalize on the benefits of their innovations due to the public nature of knowledge. These issues result in market failure, necessitating government intervention. The authors contrast supply-side policies, which focus on directly supporting firms, with demand-side policies that seek to stimulate demand for innovation. The authors suggest that further exploration is needed to identify the most effective ways to implement these policies, ensuring that public procurement can be a powerful tool for fostering innovation and achieving sustainable growth. The authors further explore the potential of public procurement as a driver for innovation, particularly in the healthcare sector, highlighting the role of procurement in fostering innovation and sustainable economic development as also opinionated by Valovirta, V. (2015).

Part IV is about green public procurement. Green Public Procurement (GPP) has become a key instrument in achieving the Europe 2020 strategy's objectives of smart, sustainable, and inclusive growth. Public procurement, which accounts for a significant portion of EU GDP, like any other country, has been seen as a powerful tool to implement environmental, climate, and social policies. In practice, GPP involves integrating environmental criteria into procurement procedures, such as using environmental labels, life-cycle costing, and sustainability-focused qualification and award criteria. This part commences with the excerpt from Marc Steiner's work; the author discusses the evolution and integration of GPP within the European Union's legal framework. It traces the shift in policy from seeing GPP as a secondary concern to positioning it as a vital component of industrial policy, that is aimed at promoting environmentally sustainable growth. Steiner discussed the legal balancing act required when integrating environmental goals into EU procurement policies. Ther authors referenced Treaty Articles and EU directives, he highlighted the importance of consistency in interpreting public procurement rules while allowing environmental considerations. This article also provided a comprehensive view of sustainable development in relation to procurement practices, particularly as seen through the lens of multilateral development banks (MDBs). Furthermore, the role of procurement in sustainable development is also highlighted. The article further discussed the evolution of sustainable development indicators, as laid out by international organizations like the United Nations, in tracking progress and ensure that development is indeed sustainable across various sectors. Key themes discussed in this context includes the multidimensional nature of sustainable development, integrating economic,

social, environmental, and cultural factors. The article managed to set the stage for further discussions on how procurement practices can support a sustainable future.

### **3. Strengths And Critiques of the Book**

This offers a comprehensive examination of contemporary public procurement issues, successfully addressing the link between economic, legal, and social dimensions. However, as the book presents valuable insights, it also exhibits some notable limitations. Firstly, the entire discussion often reflects a Eurocentric perspective, primarily focusing on European Union directives and practices. This narrow scope may overlook critical lessons and innovations from non-European contexts; this limits the applicability of the findings to a global audience. Extending the analysis to include diverse international experiences could enrich the discourse and provide a more robust framework for understanding the challenges faced by public procurement worldwide. Secondly, while the book effectively highlights the tension between efficiency and social objectives, it sometimes falls short in offering the actionable solutions. The critiques of existing frameworks and policies are well-articulated, yet the authors often stop short of proposing specific, practical strategies for integrating social and environmental considerations into procurement processes. This lack of concrete recommendations may leave practitioners seeking guidance without clear pathways to address the complexities outlined in the book. Moreover, the analysis of green public procurement, while timely, could benefit from more empirical evidence demonstrating the effectiveness of GPP initiatives.

### **4. Reference**

[1] Valovirta, V. (2015). Building capability for public procurement of innovation.