

Quasi Public Organizations for Public Infrastructure and Open Architecture

The emergence of the digital era has been led primarily by private sector for-profit and non-profit corporations creating and providing open standards, key services, applications and leadership. Increasingly of late, the public sector has been assuming a leadership role through funding initiatives (such as for Electronic Medical Records and funding for research and development efforts in science and technology) as well as through policy (including, for example, the coming National Strategy for Trusted Identities in Cyberspace, aka NSTIC). Eventually, a stable home for governance and strategic leadership will need to develop with significant input from both the public and private sectors as well as with the users of the digital systems.

These issues have arisen many times in the past, especially during times of profound transition of the economy and society. In the time of the dawning of the industrial age, for example, the need to govern, create and expand transportation infrastructure was key to the successful transition from an agrarian society into the age of machines, factories and economies of scale and speed. In those days, the government granted monopolies to private corporations to create, run and profit from the national network of rails and canals. While succeeding in the short term goal of building out the infrastructures, the tools of monopoly and the motive of private gain in the long run prevented competition, innovation and models to develop that best served the citizenry at large - those people for whom the infrastructure was intended.

Today, during this great transition from an industrial to a knowledge economy, again our society is faced with a key national challenge - to develop and empower the governance and strategic rules and oversight for a digital infrastructures and open architectures that will support and reflect our economy and every segment of our society and culture. A healthy system will promote innovation, competition and responsive adaptation to dynamically changing conditions. It will also ensure some basic "rules of the road" to permit a marketplace of services and other offerings to form, and mechanisms for self-correction, risk management and at least minimally fair outcomes for the citizenry who participate in and use the infrastructural and architectural environments.

One way these sometimes competing goals have been balanced and effectively synthesized in a stable, predictable and successful method has been by creating so-called "Quasi-Public" organizations to provide the governance and strategic leadership needed. A Quasi-Public organization, unlike most corporations (both for and not-for profit), is created by legislation and intended to serve the public interest as well as, in some cases, ensure private marketplaces to thrive according to predictable and effective rules and oversight.

According to Investopedia, the definition of a Quasi-Public is:

A type of corporation in the private sector that is backed by a branch of government that has a public mandate to provide a given service. Most quasi-public corporations began as government agencies, but have since become separate entities. It is not uncommon to see the shares of this type of corporation trade on major stock exchanges, which allows individual investors to gain exposure to the company's profit. For example, the Federal National Mortgage Association (Fannie Mae) is regarded as a quasi-public corporation because it operates as an independent corporation. This company operates under a congressional charter that aims to increase the availability and affordability of homeownership, but is not treated as any part of the government. Contrary to popular opinion, employees of quasi-public corporations do not work for the government.

http://www.investopedia.com/terms/q/quasi_public_corporation.asp

Other examples include airport and seaport authorities that work in the public interest to ensure effective and safe usage of their infrastructure and premises, yet also provide a fair process for private sector service and product providers to sell the solutions that the ports use and, more broadly, they enable private markets or airlines and shipping companies to compete in their respective markets and to use public infrastructure as a foundation for the provision of their services.

There are many other examples of these private organizations working in the public interest, with some oversight and backing by the public sector. The following reports, for example, detail the roles and finances of Quasi-Publics in the Commonwealth of Massachusetts:

[Download Massachusetts_Quasi_Public_Report](#)

[Download 2009 Massachusetts Quasi-Public Corporation Planning Council](#)

In what way could one or more Quasi-Public organizations be used to assist in the transition to an information age and knowledge economy? Should, for example, a Quasi-Public be created with government, private sector and citizen participation to provide governance and oversight for the coming national identity infrastructure for the United States, under the NSTIC program and policy? If so, how might it be chartered, organized and operated to best balance the various interests and objectives in play?