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Public Investment Criteria

Benefit-Cost Analysis for
Planned Economic Growth

Stephen A. Marglin



Public Investment Criteria

This book, first published in 1967, explores some of the problems formulating investment criteria for the public sector of a mixed-enterprise, underdeveloped economy. The typical essay on public investment criteria explicitly or implicitly postulates a single goal for economic analysis – maximization of weighted average of national income over time – and relegates all other objectives of public policy to a limbo of “political” and “social” objectives not amenable to systematic, rational treatment. In contrast Professor Marglin assumes a multiplicity of objectives and explores ways and means of expressing contributions to different objectives in common terms. The book also investigates the relationship of specific investment criteria to the objectives of public policy. Benefits and costs are defined separately for each objective, as are so-called “secondary” benefits. This book is suited for students of economics.

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DEDICATION

*For my friends in Dhabi Kalan,
beneficiaries of the Indian
Government's investment criteria*

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