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ASYMMETRICAL PARTNERSHIP: TRANSFORMATION OF INTERACTION BETWEEN THE STATE AND THE PRIVATE SECTOR IN THE 21ST CENTURY

ABSTRACT

The article examines the essence, evolution, and current trends in the development of public-private partnerships (PPPs) in the context of globalization of the world economy and the growing influence of transnational corporations (TNCs). Particular attention is paid to the transformation of interaction between the state and the private sector, accompanied by a shift in the balance of economic and financial power in favor of business structures. The author's concept of "asymmetric partnership" is substantiated, reflecting the growing inequality of the parties' positions in the implementation of joint projects, primarily in strategically important sectors of the economy.

The article analyzes the key factors shaping asymmetry in relations between the state and the private sector, including the dominance of TNCs in global value chains, the dependence of national economies on external investment and credit resources, and the limited budgetary capabilities of the state. Particular emphasis is placed on the financial aspects of PPPs, in particular on the problems of financial risk sharing, long-term government debt obligations, the influence of private capital on the formation of tariff and investment policies, and the growth of fiscal risks for public finances.

The main risks of asymmetric partnerships are identified, including the weakening of the state's economic sovereignty, loss of control over infrastructure and strategic assets, increased financial dependence, and the strengthening of the political influence of big business on the state decision-making process. Ways to minimize the imbalance in relations between the state and the private sector are proposed, in particular by improving the regulatory framework for PPPs, increasing the transparency of the financial terms of agreements, strengthening institutional and public control, and introducing effective mechanisms for assessing financial risks.

The results of the study deepen the theoretical and methodological foundations for analyzing public-private partnerships in the global economy and can be used in the formation of public policy in the field of economic and financial security.

Keywords: public-private partnership, asymmetric partnership, transnational corporations, economic sovereignty, financial liberalisation, investment flows, state regulation, economic security

JEL Classification: L26, L31

INTRODUCTION

In the 21st century, public-private partnerships (PPPs) have acquired new substantive and functional characteristics. Whereas previously they were seen primarily as a tool for mobilising the financial resources and managerial expertise of the private sector to meet public needs, today there is a trend whereby large private companies, primarily transnational corporations, are gaining financial, technological, and political power that in some cases exceeds the capabilities of individual states.

Such corporations control key sectors of the global economy, from high technology and artificial intelligence to financial flows and cyberspace. As a result, the balance in public-private partnerships is shifting from the traditional model of "the state as the main

regulator” to a model in which private actors increasingly determine the direction of technological development, safety standards, and innovation priorities of national and international policies.

However, academic discourse has not yet paid sufficient attention to the issue of potential power asymmetry in PPPs, which arises in situations where corporations possess resources and expertise that are unavailable to state institutions. This creates a number of challenges, including threats to economic sovereignty, technological dependence, weakening of state regulation, and transformation of political stability.

Therefore, the relevance of this study is determined by the need to rethink the essence and role of public-private partnerships in the context of globalisation and rapid technological development, as well as to define the conceptual foundations of a new approach to analysing the interaction between the state and the private sector, taking into account the growing systemic power of transnational corporations in the modern world.

LITERATURE REVIEW

The study of public-private partnerships has evolved from classical economic theories that treated PPPs as a mechanism for attracting private sector resources (Yescombe, 2018; Hodge & Greve, 2017) to contemporary works that focus on risk management and transparency issues (Grimsey & Lewis, 2007). In recent years, attention has focused on the role of corporations in global governance (Strange, 1996; Fuchs, 2007), where they act not only as economic agents but also as political actors.

At the same time, most studies focus on the effectiveness of PPP projects, leaving aside the problem of strategic power asymmetry between states and transnational corporations (Cerny, 2010; Mikler, 2018). It is this gap in the literature that makes this study relevant.

The novelty of this study lies in its comprehensive analysis of contemporary transformations of public-private partnerships (PPPs) in the global economy, where large transnational corporations not only complement the functions of the state but also demonstrate financial, technological, and institutional capabilities in a number of areas that exceed the capabilities of individual states.

Unlike previous studies, which viewed PPPs primarily as a tool for infrastructure development, this work focuses on the strategic shift in the balance of power between states and the private sector. This allows us to:

- propose a new conceptualisation of PPPs as a form of “asymmetric partnership” in which the state is increasingly dependent on private actors in matters of technological development, cybersecurity, innovation policy, and global influence;
- reveal the risks and challenges to state sovereignty and political stability that arise from such dependence;
- formulate recommendations for balancing public interests and corporate power within the framework of the latest PPP models.

AIMS AND OBJECTIVES

The aim of the study is to analyse transformational changes in public-private partnerships in the context of globalisation and technological progress, in particular to identify and conceptualise the phenomenon of power asymmetry between states and transnational corporations, and to determine the consequences of such asymmetry for the economic sovereignty and political stability of states.

METHODS

The theoretical basis of the study is the concepts of global governance, neo-institutionalism, economic security theory, and corporate power. The methodological basis consists of:

- a systematic approach that allows PPPs to be viewed as a complex form of interaction between state and private actors;
- comparative analysis to study the characteristics of PPPs in different countries and sectors;
- structural-functional analysis to identify the role of corporations in ensuring critical state functions;
- scenario analysis, which is used to predict the possible consequences of the growth of corporate power in the future.

RESULTS

The concept of public-private partnerships (PPPs) has a long history of development, reflecting the transformation of the role of the state and the private sector in meeting public needs. Its evolution can be divided into several stages (Table 1):

Table 1. Stages of development of the concept of public-private partnership (PPP).				
Stage	Chronology	Key characteristic	Main theoretical approaches	Practical examples
1. Infrastructure- e paradigm	1950s – 1970s	PPP as an investment mechanism for infrastructure development	Classical economics (Samuelson, 1954)	Concessions in transport, energy, utilities
2. Neoliberal institutionalism	1980s – 1990s	PPP as contract management: efficiency and business involvement	Neo- institutionalism, New Public Management (Yescombe, 2007)	Private Finance Initiative (United Kingdom), US infrastructure PPPs
3. Partnership as a form of governance	2000s	PPPs as an institutional form of governance for achieving public goals	Theory of governance, public- private management (Hodge & Greve, 2007)	PPPs in medicine, education, security (EU, Canada)
4. Globalisation and security paradigm	2010s – present	Corporations as global political actors, power asymmetry	Theories of globalisation, corporate power (Strange, 1996; Fuchs, 2007)	Corporate participation in cybersecurity and technology policy
5. The concept of asymmetric partnership	2020s – forecast	PPP as an arena for the struggle for power and influence between states and corporations	Global governance, security studies, and critical institutionalism	Transnational IT corporations, biotechnology, and defence companies

Let us consider each of these stages in more detail.

Infrastructure paradigm (1950s–1970s)

The first forms of cooperation between the state and business appeared in the form of concession agreements and franchises, especially in the transport, energy, and utilities sectors. The theoretical basis at that time was provided by classical economic approaches to minimising state expenditure by attracting private capital (Samuelson, 1954). PPPs were seen exclusively as an investment mechanism aimed at financing large infrastructure projects.

Neoliberal institutionalisation (1980s–1990s)

During this period, the PPP concept underwent systematic development under the influence of privatisation and deregulation policies, particularly in the United Kingdom (Private Finance Initiative programme) and the United States. The scientific literature established an approach to PPPs as a form of contract management that combines the advantages of the private sector in terms of efficiency and innovation with the state's responsibility to society (Yescombe, 2007; Grimsey & Lewis, 2002).

Partnership as a form of governance (2000s)

Since the 2000s, research has focused on issues of good governance, transparency, risk sharing, and social responsibility of parties in PPPs (Hodge & Greve, 2007; Koppenjan, 2005). PPPs began to be seen not only as a financing mechanism but also as an institutional form of governance that contributes to the achievement of socially significant goals, particularly in the areas of education, medicine, and security.

Globalisation and security paradigm (2010s – present)

Contemporary literature traces a new stage in the development of the PPP concept, linked to the growing power of transnational corporations, which act not only as partners of states but also as political actors at the global level (Strange, 1996; Cerny, 2010). Researchers focus on the following aspects:

1. The influence of corporations on public policy and national security, especially in the areas of digital technology, cyberspace, and healthcare (Mikler, 2018).
2. The formation of asymmetrical power relations, where corporations can dictate the terms of partnership through financial, technological, or resource advantages (Fuchs, 2007).

3. Ethical, legal, and political risks associated with the delegation of state functions to private actors.

The concept of asymmetric partnership (2020s – forecast)

In light of pandemic crises, war, and technological breakthroughs (e.g., AI), a new theoretical line is developing that interprets PPPs as asymmetric partnerships in which private companies gain the status of global power actors. This perspective raises questions not only about efficiency, but also about sovereignty, national interests, and the security of states, which requires a rethinking of the basic theoretical approaches to PPPs.

In the 21st century, transnational corporations (TNCs) have gradually transformed from economic agents engaged in production and investment outside their country of origin into key partners of states in matters of economic development, innovation, and national security.

We can highlight the following roles of TNCs.

TNCs as suppliers of critical technologies and infrastructure

Modern TNCs, especially in the fields of information technology, defence industry, energy, and biotechnology, possess knowledge, know-how, and innovative resources that states often cannot generate quickly on their own (Mikler, 2018). For example:

1. *Technology corporations (Google, Microsoft, Amazon)* provide states with cloud computing capabilities, artificial intelligence, and cybersecurity.
2. *Pharmaceutical companies (Pfizer, Moderna)* are strategic partners in the development and supply of vaccines and pandemic drugs.
3. *Defence TNCs (Lockheed Martin, Raytheon)* determine national security capabilities by supplying missile defence systems, aviation, and unmanned technologies.

da Silva, Luiz Cesar & Mourao, Paulo. (2019) note that, depending on various circumstances, the possible consequences of foreign direct investment on technology transfer to recipient countries are diverse. In order for the benefits of this process to be realised and contribute to economic efficiency in recipient countries, the following conditions are necessary: the availability of a skilled workforce; the ability of domestic companies to assimilate technological knowledge (in particular through investment in R&D); a stable institutional environment; the ability to adapt technologies; protection of intellectual property rights; tax incentives, etc. The state plays a primary role in this process by formulating and implementing policies that reinforce these factors, as they are not provided by the free market.

TNCs as investors shaping the economic policies of states

In the current era of globalisation, transnational corporations (TNCs) have become leading players in the global political economy, often exceeding the economic power of individual states. Their influence extends far beyond national borders, determining trade policy directions, investment flows, and even influencing internal management systems. Supporters of TNCs emphasise that they provide capital inflows, introduce innovative technologies, and create new jobs in developing countries. At the same time, in-depth analysis reveals the contradictory nature of their role: many corporations operate according to models similar to neocolonial ones, focusing on the intensive extraction of resources, the transfer of profits abroad, and the adaptation of the political environment to their own corporate interests.

Thanks to their significant financial resources, TNCs are able to influence the strategic development priorities of states, especially countries with transitional economies or limited access to capital. The investment policy of TNCs can create a "path dependence" effect, where a country's economic model adapts to the needs of global business (Strange, 1996).

As Mahlangu notes, one of the key themes that can be observed is the gradual weakening of state power. Through mechanisms of "regulatory capture" or investor-state dispute settlement procedures, governments often lose the ability to fully control their own political agenda. This calls into question the basic concept of sovereignty and demonstrates a new model of world order in which the rules are determined not by political autonomy but by economic power.

TNCs as partners in security and defence policy

Contemporary challenges of cybersecurity and hybrid threats have led to an increased role for IT corporations in national security. Examples include Microsoft's cooperation with the US government on cybersecurity for critical infrastructure and Amazon Web Services' support for defence and intelligence agencies.

Economic statecraft is seen as the use of economic tools by states to achieve their own political goals in the international system (Baldwin, 2020). In the works of Farrell and Newman (2019), this approach is refined through the concept of “weaponised interdependence.” The authors argue that global economic networks, particularly financial and information systems, create structural asymmetries that enable powerful states to exert pressure on others by controlling key nodes in these networks. The study presents two key mechanisms: the “panopticon effect,” where a state gains access to intelligence data through its dominance in network hubs, and the “bottleneck effect,” which allows rivals to be excluded from critical systems. Examples such as the SWIFT financial messaging system and the NSA’s Internet surveillance programmes demonstrate how the United States uses global networks to exert economic influence and protect national security. Thus, Farrell and Newman challenge the liberal idea of mutual benefit in inter-state dependence, arguing that the concentration of control in networks creates an imbalance of power, creates new vulnerabilities, and transforms the nature of rivalry between great powers.

This trend signals a shift from state monopoly on security to a partnership model with the private sector, which is both an opportunity and a challenge for state sovereignty (Cerny, 2010).

TNCs as political actors in global governance

In contemporary academic literature, TNCs are increasingly treated as political actors involved in the development of global rules and standards (Fuchs, 2007). Their ability to influence intergovernmental organisations, regulatory policy, and public opinion makes them partners on an equal footing with states in certain areas.

Today, transnational corporations (TNCs), like civil society organisations, are increasingly involved in the process of shaping and implementing policies that were previously the exclusive domain of states or international governmental structures. The activities of TNCs and civil society organisations cover a wide range of areas, from participation in peacekeeping initiatives to the protection of human rights and the implementation of social and environmental standards. This trend demonstrates a shift in approaches to global business regulation — from the classic state-centric model to new multilateral mechanisms that are not tied to territorial boundaries and involve private and non-governmental actors. In this context, researchers (Braithwaite, J., and P. Drahos) emphasise the need for a broader understanding of the very concept of “regulation,” which should include models of complete self-regulation without direct intervention by state institutions.

Challenges of such a role for TNCs for states

Despite the obvious benefits, the active integration of TNCs into strategic sectors gives rise to a number of risks:

- increased economic and technological dependence;
- reduced state control over critical resources and infrastructure;
- the possibility of TNCs using their positions to lobby for corporate interests that do not always correspond to public goals (Hodge & Greve, 2017).

Modern TNCs, especially in the fields of information technology, defence, energy, and biotechnology, possess knowledge, know-how, and innovative resources that states often cannot generate quickly on their own (Mikler, 2018). For example, technology corporations such as Google, Microsoft, and Amazon provide states with cloud computing capabilities, artificial intelligence systems, and cybersecurity. Pharmaceutical companies, including Pfizer and Moderna, are strategic partners in the development and supply of vaccines and medicines against pandemics, as demonstrated by the COVID-19 situation. At the same time, defence TNCs (Lockheed Martin, Raytheon) determine national security capabilities by supplying missile defence systems, aviation, and unmanned technologies (Strange, 1996).

Thanks to their significant financial resources, TNCs are able to influence the strategic development priorities of states, especially countries with transitional economies or limited access to capital. The investment policy of TNCs can create a path dependence effect, whereby a country’s economic model gradually adapts to the needs of global business. In addition, modern challenges of cybersecurity and hybrid threats have led to an increase in the role of IT corporations in national security. For example, Microsoft cooperates with the US government on cyber protection of critical infrastructure, while Amazon Web Services provides capabilities to defence and intelligence agencies. This indicates a transition from a state monopoly on security to a partnership model with the private sector, which is both an opportunity and a challenge for state sovereignty (Cerny, 2010).

In contemporary academic literature, TNCs are increasingly treated as political actors involved in the development of global rules and standards. Their ability to influence intergovernmental organisations, regulatory policy, and public opinion makes them partners on a par with states in many areas (Fuchs, 2007). At the same time, the active integration of TNCs into strategic sectors gives rise to a number of risks: increased economic and technological dependence, reduced state control

over critical resources and infrastructure, and the use of TNCs' positions to lobby for corporate interests that do not always correspond to public goals (Hodge & Greve, 2017).

Current public-private partnership (PPP) practices demonstrate the existence of significant power asymmetry between state structures and transnational corporations (TNCs). This asymmetry manifests itself in several key forms that transform the balance of power in the global economy and politics.

First, financial asymmetry manifests itself in the fact that the capitalisation of individual corporations exceeds the GDP of many countries. For example, the market value of Apple or Microsoft is greater than the economies of average countries on the global periphery (Strange, 1996; Mikler, 2018). This gives corporations the ability to influence investment policy, taxation conditions, regulatory initiatives, and even diplomatic relations, especially in countries that depend on foreign investment.

Secondly, technological asymmetry manifests itself in the monopolistic or oligopolistic ownership of critical technologies, particularly in the fields of artificial intelligence, biotechnology, the defence industry, and cybersecurity (Cerny, 2010). The state often has no alternative in choosing a supplier, which creates conditions for private actors to impose their own rules of the game.

Thirdly, information asymmetry consists of the concentration of large amounts of data, analytics, and predictive models by TNCs that are inaccessible to state institutions. In particular, companies involved in big data and digital platforms (Google, Meta) can manipulate public sentiment and influence political processes by shaping or transforming the information space (Fuchs, 2007).

Key factors contributing to information asymmetry:

1. *The pursuit of economic gain.* Market participants often deliberately conceal or distort certain information in order to obtain additional profits. This leads to a situation where sellers of low-quality goods can lower their prices and drive out more conscientious manufacturers. At the same time, the latter are unable to compete, as selling their products at lower prices would mean losses for them.
2. *Gaining a competitive advantage.* Access to unique information that other market participants do not have allows a company to strengthen its position and influence the outcome of market competition.
3. *High cost of information search.* Sometimes the cost of collecting the necessary data exceeds the expected benefits of using it. These costs include: time spent, transportation costs when visiting various retail outlets, purchasing catalogues or specialised literature, providing access to the Internet, and ordering marketing research.
4. *Technological limitations.* Participants in transactions may have access to large amounts of information, but the lack of appropriate tools and processing technologies makes it impossible to use.
5. *Inaccessibility of processed information.* Even after collecting and analysing data, market participants may not have full access to the results, which creates additional asymmetry in interaction.

Fourth, asymmetry in institutional capacity manifests itself in the fact that large corporations have their own analytical centres, lobbying structures, and legal services, which often exceed the capabilities of government agencies in individual countries in terms of qualifications and global networks (Hodge & Greve, 2007). This allows corporations to promote decisions that are beneficial to them at both the national and international levels.

Finally, political asymmetry manifests itself in the ability of corporations to directly influence policy-making and global regulatory norms through participation in international organisations, economic forums, and government advisory councils (Fuchs, 2007; Mikler, 2018). For example, when it comes to regulating the digital economy, states are forced to consider the positions of key technological TNCs as equal actors.

On the one hand, the presence of large companies promotes investment, job creation, and access to technology. On the other hand, excessive dependence on such actors creates a number of systemic risks that can undermine national sovereignty, economic stability, and democratic processes.

Let us consider the key risk groups.

Economic vulnerability

The economic vulnerability of countries that are heavily dependent on the activities of transnational corporations (TNCs) is one of the key problems of the modern global economy. In such conditions, even minor changes in corporate strategy

or global market trends can have far-reaching consequences for national economies. This effect is particularly pronounced in countries with a single-product economy, where a significant share of gross domestic product is generated by the activities of a few large corporations in the energy or extractive industries. A fall in world commodity prices, a decline in production, or the exit of a key investor from the market can instantly cause a crisis: a state budget deficit, a reduction in foreign exchange earnings, and a slowdown in socio-economic development.

Dependence on TNCs is also noticeable in the financial sector, as large corporations are often the main taxpayers. A decline in their economic activity automatically means a drop in budget revenues, which limits the state's ability to finance education, healthcare, or infrastructure projects. Significant risks are also emerging in the labour market: when one company is the key employer in a particular region, mass layoffs or automation of production lead to rising unemployment, a decline in living standards, and a fall in purchasing power.

Another dimension of vulnerability is the displacement of local businesses. Thanks to economies of scale, access to cheap credit, and modern technologies, TNCs often set lower prices than local companies, which leads to a decline in the share of small and medium-sized enterprises. At the same time, the lack of competition and focus on traditional industries creates a kind of "path dependency effect", where the development of innovative clusters and start-ups is hampered by the concentration of resources in the hands of a limited number of large corporations.

Global market trends also have a significant impact on economies focused on cooperation with TNCs. Trade wars, changes in customs policy, currency fluctuations, and global financial crises have an immediate impact on their domestic production and employment levels. This dependence creates additional risks that complicate long-term economic policy planning and stability.

In addition to the economic consequences, there are also significant social risks. High profits are concentrated in the hands of large corporations and related groups, while small businesses and workers remain more vulnerable to economic changes. This leads to increased socio-economic inequality, growing tensions in society, and the formation of the population's dependence on corporate interests.

Thus, the economic vulnerability of states caused by the excessive role of transnational corporations is multidimensional: it encompasses the financial, social, innovative, and political spheres. To reduce this impact, countries need to diversify their economies, develop small and medium-sized businesses, support innovation, and implement effective mechanisms to control the activities of TNCs. Only a comprehensive approach will minimise the risks of excessive dependence and ensure long-term economic stability in a globalised world.

Political influence and distortion of the regulatory environment

Thanks to their financial capabilities and influential media resources, large transnational corporations are able to exert significant pressure on the political decision-making process in the countries where they operate. This influence often takes the form of so-called regulatory capture, when regulations, laws, and administrative decisions are made with the interests of business structures in mind, rather than those of society. As a result, the state effectively loses the ability to pursue independent policies, as key decisions are influenced by corporate lobbyists.

Most often, this dependence manifests itself in the areas of taxation, labour law, and environmental regulation. For example, large companies are able to obtain tax breaks or special tax regimes, which significantly reduce their obligations to the state budget, creating unequal conditions of competition for smaller enterprises. In the field of labour law, corporations often influence the softening of social protection standards for employees or slow down the adoption of laws that increase employer responsibility. A similar situation can be observed in environmental protection issues: powerful corporations are able to block initiatives to tighten environmental standards or control emissions, arguing that this could lead to job losses or reduced investment.

The result is a situation where the state becomes hostage to business interests, while citizens and civil society are effectively pushed into the background. This undermines trust in institutions of power, exacerbates social inequality, and creates risks of long-term economic and political instability. Thus, the phenomenon of regulatory capture is a serious challenge for modern democracies and requires the introduction of effective mechanisms to control lobbying and greater transparency in relations between the state and big business.

Technological dependence and digital control

Digital giants such as Google, Meta, Amazon, and others now hold vast amounts of data in their hands, covering both citizens' personal information and details about the functioning of key elements of critical infrastructure — from transport

systems and telecommunications to financial flows and medical databases. As a result, these corporations have a unique opportunity to control information processes, shape the information space, and influence the economic and political behaviour of states and societies.

In the absence of effective state regulation or control mechanisms, this poses a serious threat to national sovereignty in the field of information security. Digital corporations' access to personal data allows them not only to predict user behaviour, but also to manipulate it through recommendation algorithms, targeted advertising, and control over mass communication platforms. This increases the risk of external interference in internal political processes, such as elections or referendums, and calls into question the state's ability to independently ensure the transparency and reliability of information flows.

Another critical issue is the dependence of states on technical infrastructure built on closed commercial platforms of transnational corporations. The use of services such as cloud storage, communication applications, operating systems, or analytical tools makes a country dependent on corporate policy. In the event of changes in access to services, unilateral blocking or refusal to cooperate, the state may lose the ability to control its own information resources and strategically important data. This significantly limits its potential to develop and implement alternative solutions, as well as reduces its competitiveness in the global technology market.

In addition, the concentration of innovation in the hands of a few companies leads to technological monopolisation: digital giants determine the standards, pace, and direction of IT sector development, effectively setting the framework within which national governments can operate. This narrows the opportunities for the development of local innovation ecosystems and hinders the creation of independent digital platforms.

Thus, excessive dependence on digital corporations becomes a strategic challenge for states. It undermines information sovereignty, increases the risks of external influence, and slows down the development of national technological solutions. To minimise these threats, it is necessary to implement national digital security strategies, develop domestic infrastructure solutions, support local IT companies, and create international mechanisms to control the activities of global digital giants.

Social consequences and the labour market

Dependence on a single large employer or investor is one of the most dangerous manifestations of economic vulnerability, as it creates a monopsony in the labour market — a situation where the supply of labour significantly exceeds demand, and workers are effectively forced to accept the terms dictated by a single dominant employer. In such a model, the corporation gains disproportionate influence over the regional economy, and workers lose their ability to choose, as alternative sources of employment are either nonexistent or minimal.

The consequences of monopsony are multidimensional. First, wages decline because the lack of competition between employers does not encourage them to raise wages or improve social packages. Second, workers' labour rights are weakened: the company can dictate contract terms, limit career growth opportunities, and set excessively high working time requirements. In such conditions, the trade union movement loses its effectiveness, as the corporation has the ability to control personnel policy and put pressure on active representatives of labour collectives.

A particularly dangerous scenario arises when a corporation decides to cut production, automate processes, or exit the market altogether. For entire regions, this means a sudden loss of a significant number of jobs without any alternative employment opportunities. As a result, unemployment rises sharply, household incomes fall, and the purchasing power of the population declines, which has a negative multiplier effect on local businesses, from trade to services.

This situation contributes to deepening social inequality, as the most vulnerable groups of the population suffer the most: young people who cannot find their first job and older workers who find it difficult to retrain. Migration from the regions in search of work is increasing, leading to demographic depletion of the territories and a reduction in their development potential. At the same time, dependence on a single employer creates conditions for political influence by corporations, as local authorities, fearing the loss of investment, often make decisions in favour of the company rather than the community.

Thus, monopsony in the labour market is not only an economic problem, but also a social and political one. To overcome it, active government policy measures are needed: stimulating the development of small and medium-sized businesses, creating innovation clusters, diversifying sources of employment, as well as strengthening labour rights guarantees and supporting trade union initiatives. This is the only way to minimise the risks of excessive dependence of regions on one large investor and ensure the sustainability of local economies.

Environmental risks

Some large corporations, especially in the extractive sector, ignore environmental standards or operate in regions with weak environmental controls. The result is environmental pollution and degradation of land and water resources, which pose long-term threats to public health.

Ensuring a sustainable balance between the interests of the state and the private sector is a critical factor in the success of public-private partnership projects. Proper interaction architecture avoids both excessive commercialisation of public services and inefficient use of private capital.

Below are the key recommendations:

1. **Transparency and accountability.** Full transparency must be ensured at all stages of PPPs, from planning to the operation of facilities. The publication of contracts, financial models, tender documentation, and audit reports contributes to increased public confidence and reduced corruption risks.
2. **Clear definition of public interest.** The state must clearly formulate what public goods are expected from the partnership — these may include accessibility, quality of services, inclusiveness, environmental friendliness, etc. These parameters must be enshrined in contracts as key performance indicators (KPIs).
3. **Risk sharing based on the principle of optimal efficiency.** Risks should be shared between partners according to their ability to manage them. The private sector is responsible for financing, construction, and operation, while the state is responsible for legal regulation, land issues, and the social component.
4. **Ensuring independent monitoring.** The introduction of independent monitoring and public control institutions allows for the timely detection of deviations from contractual terms and the adjustment of project implementation without political interference.
5. **Institutional capacity of the public partner.** For effective PPPs, it is necessary to improve the professional capacity of public institutions through staff training, the creation of specialised PPP agencies, and the involvement of expert support at the stage of preparing and supporting agreements.
6. **Socio-economic assessment of projects.** Before launching each PPP project, it is advisable to conduct a comprehensive socio-economic assessment, which will take into account not only economic benefits but also the potential impact on communities, the environment, and national interests.

Asymmetric partnership manifests itself not only in the redistribution of management powers but also in the uneven distribution of financial risks, revenues, and long-term obligations between the parties.

One of the basic financial risks is fiscal risk, which arises from hidden or contingent state guarantees for PPP projects. In many cases, the state's obligations regarding minimum income, compensation for currency fluctuations, or ensuring the solvency of the project are not directly reflected in the state budget, but they do create potential pressure on public finances and public debt in the medium and long term (Table 2).

Aspect	State (Public Sector)	Private Sector (TNCs, Investors)	Manifestation of Asymmetry
Sources of financing	Limited budgetary resources, public debt, and fiscal constraints	Access to global capital markets, private equity, and institutional investors	Private partner dominates investment decision-making
Financial risks	Bears long-term fiscal risks, contingent liabilities, and debt guarantees	Transfers risks to the public sector through contracts	Risk allocation favors private interests
Cost of capital	Higher borrowing costs, dependence on public finance	Lower cost of capital due to scale and credit ratings	Unequal financial leverage
Revenue distribution	Fixed or regulated income, tax dependence	Flexible profit maximization strategies	Profit concentration in the private sector
Control over cash flows	Limited monitoring capacity	Full operational and financial control	Weak public financial oversight
Investment horizon	Long-term socio-economic objectives	Short- and medium-term return orientation	Misalignment of financial goals
Budgetary impact	Increased fiscal pressure and public expenditures	Stable returns with limited fiscal exposure	Public finance vulnerability
Transparency of financial reporting	Often fragmented and bureaucratic	Advanced financial reporting and optimization tools	Information asymmetry

The presented classification of financial risks of public-private partnerships demonstrates that in conditions of asymmetric partnerships, the majority of financial obligations and macroeconomic risks are actually concentrated in the public sector. This increases fiscal vulnerability, creates hidden debt obligations, and undermines economic sovereignty, especially in countries with limited budgetary resources.

In the context of the growing role of public-private partnerships (PPPs) in the global economy, the financial dimension of interaction between the state and the private sector becomes a key factor determining the balance of power between partners. The asymmetry of such partnerships is increasingly manifested through differences in access to financial resources, investment capacity, and risk-sharing mechanisms. Therefore, a detailed financial and economic analysis is necessary to substantiate the theoretical concept of asymmetric partnership and to assess its implications for economic sovereignty and public finance stability (Table 3).

Table 3. Financial aspects of asymmetrical public-private partnership. (Source: World Bank (2024))

Sector	PPI Investments, USD billion (2024)	PPI Investments, USD billion (2023)	PPI Investments (Past five-year average 2019–2023)	Share of PPI Projects with DEFI Support (2024), %	Share of PPI Projects with DEFI Support (2019–2023), %
EAP	57.0	51.4	36.0	10	9
ECA	7.7	4.1	5.6	82	40
LAC	21.9	16.1	22.3	18	24
MENA	0.5	2.9	2.6	88	59
SAR	5.7	9.3	11.8	39	34
SSA	7.9	3.4	5.4	64	67
Grand Total	100.7	87.2	83.7	34	28

In 2024, global investment in private sector participation (PSP) projects rebounded after several years of decline, while showing significant differences between regions. In regions such as MENA, ECA, and SSA, which are characterized by heightened geopolitical, macroeconomic, and regulatory risks, the implementation of PPI projects was largely facilitated by the participation of development and export finance institutions (DEFIs). Despite an overall decline in PPI volumes in the MENA region, the vast majority of projects (7 out of 8) were financed with the support of DEFIs, underscoring their key role in attracting private capital by reducing investment risks in challenging business environments.

Promising infrastructure sub-segments are demonstrating growing attractiveness for investment in projects involving the private sector (PPI). In particular, the following trends were observed in 2024:

1. Data centers attracted more than USD 9.2 billion in 18 projects, which is almost three times higher than in 2023. Investments in Malaysia were the main driver of growth.
2. Energy storage systems saw a fivefold increase in investment, mainly due to projects in China, where approximately USD 12 billion was raised for 22 projects.
3. Electric vehicle charging station infrastructure saw a fourfold increase in investment, accumulating USD 91.2 million across two projects in Bulgaria and India.

Overall, the presented evidence confirms that the structure and dynamics of private sector participation in infrastructure are becoming increasingly shaped by asymmetric financial capacities and risk profiles across regions. The growing reliance on development and export finance institutions highlights their strategic importance in sustaining investment flows, particularly in high-risk and emerging markets. At the same time, the rapid expansion of investments in new infrastructure sub-segments — such as data centers, energy storage, and electric vehicle charging—signals a structural shift toward digitally driven and sustainable assets. These trends underscore the necessity of adaptive public-private partnership frameworks that balance risk allocation, enhance financial resilience, and support long-term economic stability in an evolving global investment environment.

DISCUSSION

The results of the study confirm the existence of a significant transformation of the traditional model of public-private partnership towards the formation of a new, asymmetrical form of interaction. However, there are still contradictions in the scientific community regarding the assessment of this trend. Some researchers view the growing role of transnational

corporations (TNCs) as a natural stage in the evolution of global capitalism, contributing to more efficient resource allocation, innovative development, and improved quality of public services. Others, on the contrary, emphasise the risks of weakening state control, loss of economic sovereignty, and increased inequality in the global system.

Existing research on public–private partnerships (PPPs) has predominantly focused on contractual design, risk allocation mechanisms, and efficiency outcomes under relatively symmetric partnership assumptions (Yescombe, 2018; Hodge & Greve, 2017). A significant body of literature treats asymmetry mainly as an operational challenge—associated with information gaps, bargaining power, or governance inefficiencies—rather than as a structural characteristic of contemporary state–private sector interaction (Zhang et al., 2016). In contrast, this study advances the argument that asymmetry has evolved into a defining feature of 21st-century partnerships, particularly in high-risk and emerging economies.

Unlike prior studies that analyze PPP asymmetry at the project or institutional level, this article conceptualizes asymmetrical partnership as a systemic financial phenomenon, shaped by unequal access to capital, investment capacity, and risk-bearing instruments. By integrating global PPI investment data with evidence on the expanding role of development and export finance institutions (DEFIs), the study demonstrates that financial asymmetry is not merely a constraint but a functional mechanism that enables private capital mobilization in unstable environments. This perspective challenges the dominant view that state intervention primarily distorts market efficiency (Hart, 2003) and instead positions public financial actors as stabilizers within asymmetric partnership structures.

Furthermore, while existing scholarship often emphasizes traditional infrastructure sectors (transport, utilities, social infrastructure), this research extends the analytical scope to emerging infrastructure sub-segments, including data centers, energy storage systems, and electric vehicle charging networks. The findings suggest that asymmetrical partnerships are increasingly concentrated in digitally driven and sustainability-oriented assets, a dimension that remains underexplored in the current PPP literature (Almarri & Boussabaine, 2025). This shift indicates a transformation in the strategic priorities of both states and private investors, where risk mitigation and long-term resilience outweigh short-term efficiency gains.

The scientific novelty of this article lies in its reframing of asymmetry from a governance problem to an adaptive partnership model suited to contemporary geopolitical, macroeconomic, and regulatory volatility. By demonstrating how asymmetric financial participation reshapes power relations, investment patterns, and sectoral priorities, the study contributes to a deeper understanding of PPP evolution beyond classical efficiency-based frameworks. Consequently, this research provides a conceptual and empirical foundation for rethinking public–private interaction as a dynamic, asymmetry-driven system rather than a balanced contractual arrangement.

The question of the limits of acceptable private sector participation in the performance of public functions remains controversial. Although PPPs often demonstrate successful results in the areas of infrastructure, medicine, and education, cases of “regulatory capture” and lobbying for corporate interests indicate that the effectiveness of such models directly depends on the quality of state institutions and the level of transparency in decision-making. That is why the issue of the state's institutional capacity and ensuring a balance of power is central to contemporary research on asymmetric partnerships.

The discussion surrounding the technological and digital dependence of states on TNCs deserves special attention. Unlike traditional forms of partnership, modern digital corporations possess not only financial but also information resources, which are becoming strategic assets. This raises questions about the boundaries of sovereignty in the digital space, particularly with regard to control over critical infrastructure, data circulation, and cybersecurity. Some researchers believe that such forms of cooperation pave the way for a new quality of public administration, while others believe that they form a “digital protectorate” in which governments become dependent on the decisions of private technology giants.

The assessment of the impact of TNCs on the development of developing countries is also controversial. On the one hand, foreign direct investment, technology transfer, and job creation contribute to economic modernisation. On the other hand, excessive focus on the interests of global business creates economic vulnerability, reduces the competitiveness of local producers, and deepens social inequality. In this context, the issue of developing international mechanisms for regulating the activities of TNCs that take into account the interests of recipient countries and protect their national interests becomes important.

It should be emphasised that the concept of “asymmetric partnership” proposed in the study opens up new avenues for interdisciplinary research. It allows for the integration of approaches from economic theory, political science, security studies, and law, enabling a comprehensive assessment of the impact of global corporations on national economies and power structures. Further research should focus on developing models for balancing public and private interests, analysing mechanisms of corporate influence, and searching for institutional solutions capable of restoring parity in the global governance system.

CONCLUSIONS

The article analyzes transformational changes in the field of public-private partnerships in the context of globalization and accelerated technological development. The goal of the study—to identify and conceptualize the phenomenon of power asymmetry between states and transnational corporations—has revealed new aspects of public-private sector interaction in the 21st century.

The study found that power asymmetry in modern public-private partnerships is not accidental but systemic in nature and is caused by unequal access of the parties to financial resources, technologies, information, and institutional instruments of influence. It has been proven that, with the growing role of transnational corporations and development finance institutions, the state increasingly acts not as a dominant entity but as a partner forced to adapt to the changed balance of power.

It has been substantiated that this asymmetry has an ambiguous impact on the economic development of countries. On the one hand, it contributes to the attraction of private capital, the introduction of innovations, and the implementation of infrastructure projects in complex macroeconomic and political conditions. On the other hand, increasing power asymmetry can threaten the economic sovereignty of states, limit their regulatory autonomy, and create risks for political stability, especially in countries with underdeveloped institutions.

The scientific novelty of the results lies in considering asymmetric public-private partnerships not as a temporary imbalance, but as a sustainable model of interaction shaped by global economic and technological changes. This approach broadens the theoretical boundaries of research on public-private partnerships and allows us to rethink the role of the state in modern economic systems.

Prospects for further research are related to an in-depth analysis of the mechanisms of institutional balancing of power asymmetry in public-private partnerships, assessing the long-term consequences of asymmetric interactions for the economic security of states, as well as studying the impact of digitalization, financial technologies, and new forms of transnational capital on the transformation of models of cooperation between the state and the private sector.

ADDITIONAL INFORMATION

AUTHOR CONTRIBUTIONS

All authors have contributed equally.

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CONFLICT OF INTEREST

The Authors declare that there is no conflict of interest.

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АСИМЕТРИЧНЕ ПАРТНЕРСТВО: ТРАНСФОРМАЦІЯ ВЗАЄМОДІЇ МІЖ ДЕРЖАВОЮ ТА ПРИВАТНИМ СЕКТОРОМ У ХХІ СТОЛІТТІ

У статті розглянуто сутність, еволюцію та сучасні тенденції розвитку державно-приватного партнерства (ДПП) в умовах глобалізації світової економіки й зростання впливу транснаціональних корпорацій (ТНК). Особлива увага приділена трансформації взаємодії держави й приватного сектора, що супроводжується зміщенням балансу економічної та фінансової влади на користь бізнес-структур. Обґрунтована авторська концепція «асиметричного партнерства», що відображає зростання нерівності позицій сторін у реалізації спільних проєктів, насамперед у стратегічно важливих галузях економіки.

У дослідженні проаналізовані ключові чинники, що формують асиметрію відносин між державою та приватним сектором, зокрема домінування ТНК в глобальних ланцюгах створення вартості, залежність національних економік від зовнішніх інвестиційних і кредитних ресурсів, обмежені бюджетні можливості держави. Особлива увага приділена фінансовим аспектам ДПП, зокрема проблемам розподілу фінансових ризиків, довгострокових зобов'язань уряду за борговими зобов'язаннями, впливу приватного капіталу на формування тарифної та інвестиційної політики, а також зростанню фіскальних ризиків для державних фінансів.

Визначено основні ризики асиметричних партнерств, зокрема ослаблення економічного суверенітету держави, втрата контролю над інфраструктурою та стратегічними активами, посилення фінансової залежності, посилення політичного впливу великого бізнесу на процес ухвалення державних рішень. Запропоновано шляхи мінімізації дисбалансу у відносинах між державою та приватним сектором, зокрема шляхом удосконалення нормативно-правової бази ДПП, підвищення прозорості фінансових умов угод, посилення інституційного та громадського контролю, а також запровадження ефективних механізмів оцінки фінансових ризиків.

Результати дослідження поглиблюють теоретичні та методологічні основи аналізу державно-приватного партнерства в глобальній економіці та можуть бути використані при формуванні державної політики в царині економічної та фінансової безпеки.

Ключові слова: державно-приватне партнерство, асиметричне партнерство, транснаціональні корпорації, економічний суверенітет, фінансова лібералізація, інвестиційні потоки, державне регулювання, економічна безпека

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