

This thesis focuses on institute of the public procurement from the economic point of view. Especially it is trying to analyze institutional factors affecting process of public competition. First part defines economic term “public procurement” and shows, how important is this institution for the economy. Than describes the Public procurement law and others formal rules. Second part is focused on economical aspects of public procurements, namely on transaction costs, economic model of submitter, competition mechanism and determinants of its effectiveness. End of theoretical part is trying to implement the theoretical framework of the rent-seeking on public procurements. Last Chapter is empirical analyze of the randomly chosen set of 278 public procurements in civil engineering works, which were realized in Czech Republic since 2005 till 2007. Mainly it tries to approve the hypothesis about effect of explicit competition on the final price (as a percentage of the approval price) and shows the positive effect of use the most transparent proceeding on this price-ratio.