

**CRISIS MANAGEMENT AND THE CHANGING ROLE OF THE STATE**  
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**on Economic Policy and Crisis Management**  
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# Privatization in the Shade of Statism

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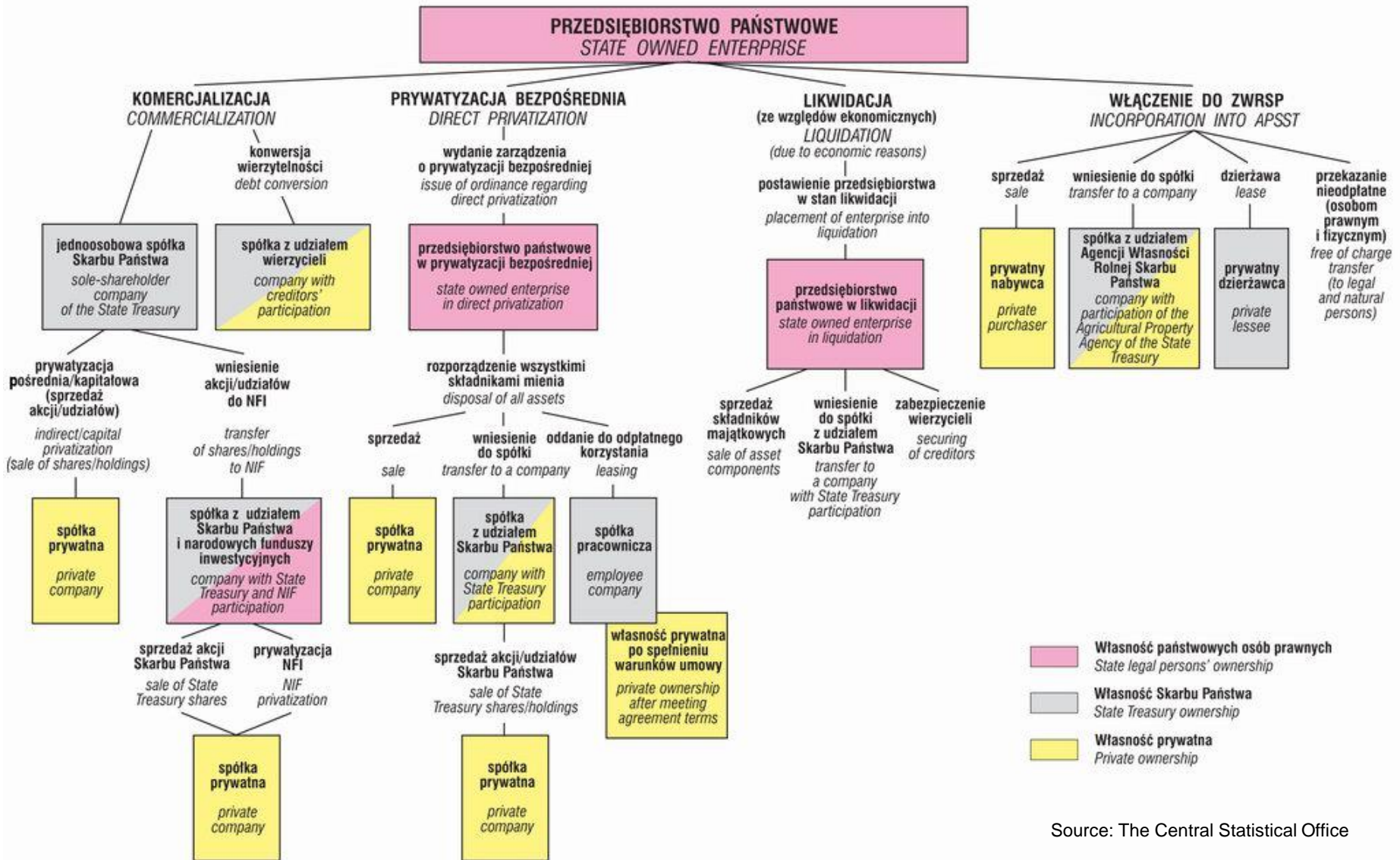
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# Goals

- Systemic
  - Ownership structure
  - Role of the State
- Economic
  - Micro
  - Macro
- Political
  - Pro-reform supporters
  - Pressure on the Government
- Fiscal
  - Cutting subsidies
  - Raising revenues
- Social
  - Financial, non-financial
  - Macro, mezzo & micro

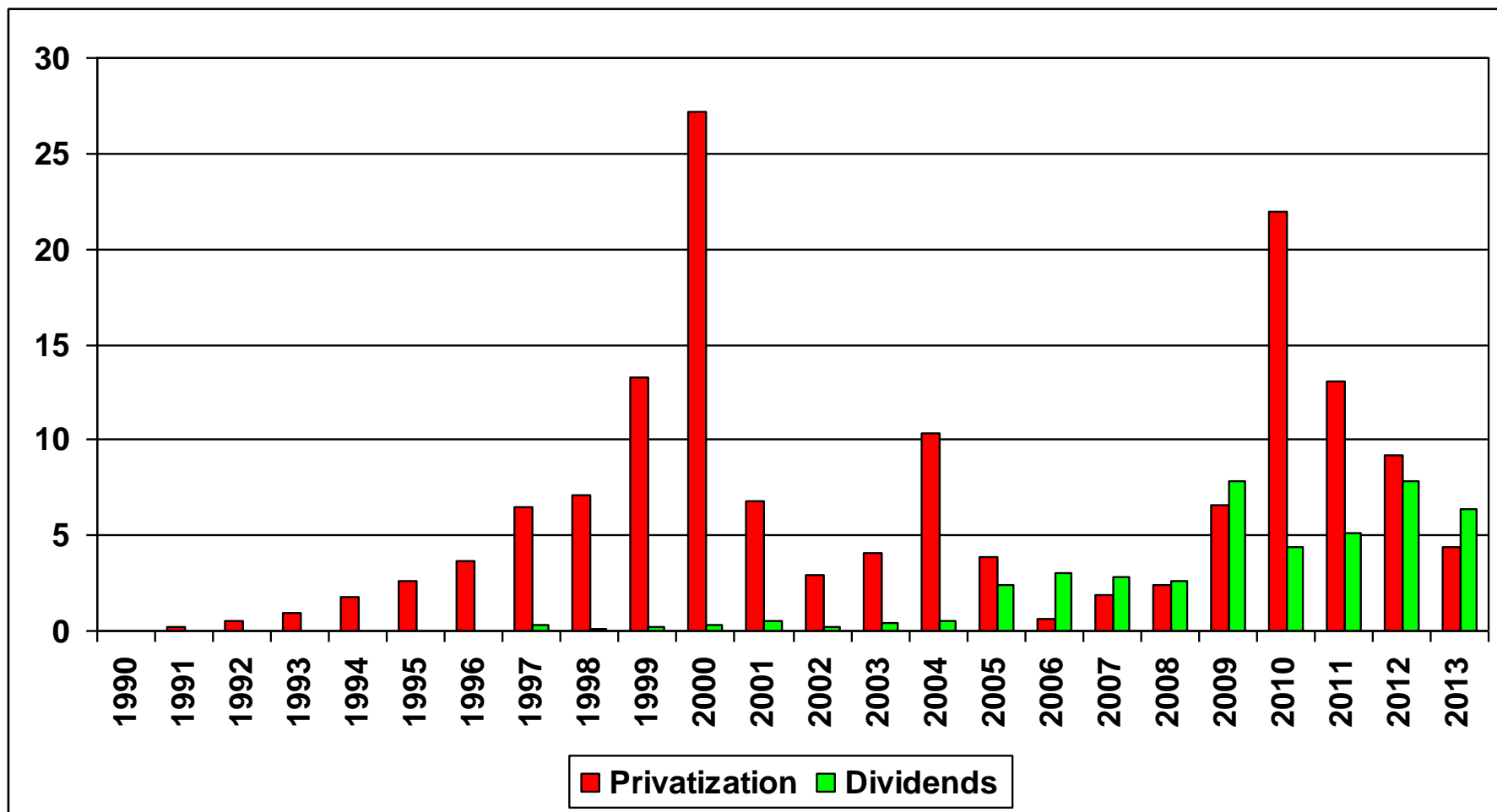
# Methods: High heterogeneity



# Methods

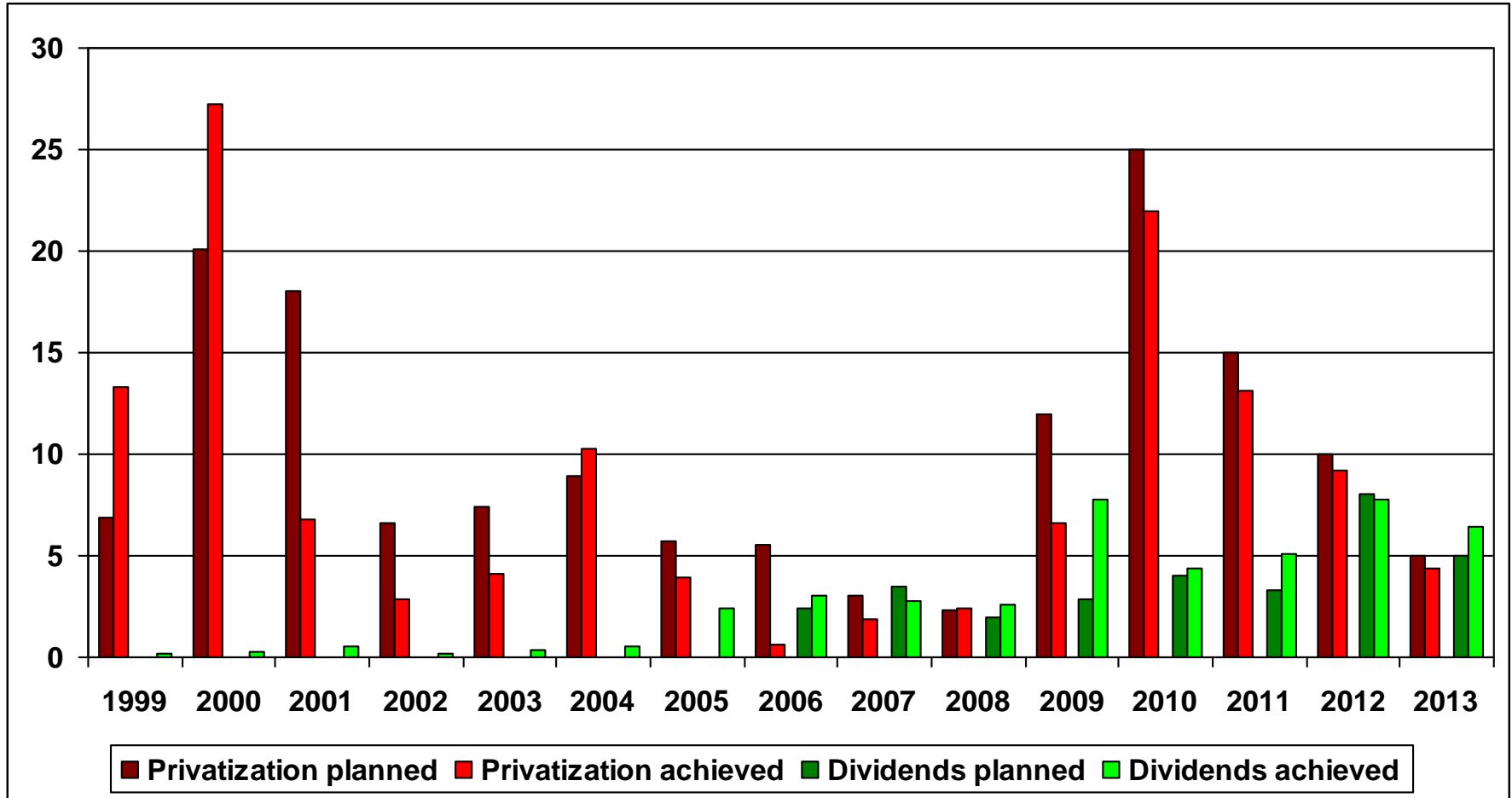
- “Indirect”
  - Sale
  - IPO
  - “Mass privatization”
- “Direct”
  - Sale
  - Contribution in kind
  - MEBOs
- “Liquidation”

# Revenues from privatization and dividends (in PLN Bln; 1 PLN = € 0.25)



Source: Ministry of the Treasury.

# Revenues from privatization and dividends: plans vs. realization (in PLN Bln; 1 PLN = € 0.25)



Source: Ministry of the Treasury.

# State-controlled sector share

Share in the whole enterprise sector (%):

	1989	2012 (official data)	2012 (corrected data)
Sales	70	8	17
Employment	66	13	16
GDP (estimations)	70	10	15-20

Share in sales in selected industries (%)

Industries	1995	2012
Extractive	98	46
Manufacturing	43	6
Infrastructural	98	46

Among the largest companies (end 2012):

Among:	Number of state-controlled companies	Share in sales (%)	Share in employment (%)
100 largest	20	45	53
25 largest	12	66	68

Source: M. Bałtowski, P. Kozarzewski, Zmiana własnościowa polskiej gospodarki (1989-2013), PWE, Warszawa 2014.

# Reasons of change

- Change of paradigm (crisis encourages state regulations)
- Institutional issues:
  - weak institutions of the state in transition
  - political capitalism *à rebours*
  - “early winners” - transition rent seeking





**THANK YOU!**