

Ankara Yildirim Beyazit University

Faculty of Political Sciences

Department of Economics

2024-2025 Academic Year / Spring Semester

ECON 322 Economics of Privatization and Liberalization Course Syllabus

Dr. Mert Akyüz

makyuz@aybu.edu.tr

Course Schedule & Place: Tuesday 09.45 – 12.00 & B-338 D-1

Course Description & Policies:

This course is designed to offer an in-depth understanding of the economic concepts related to privatization and liberalization. Over the course of one semester, you will gain insights into the processes of privatization and liberalization across various countries and industries. Our approach involves starting with a detailed explanation of the theoretical underpinnings, followed by the practical applications and discussion of relevant cases. Throughout the course, we will draw upon the insights from regulatory economics to provide a more nuanced understanding. Our topics of focus include a detailed discussion on the privatization of electricity and telecommunication markets, as well as an in-depth look at the Turkish experiences with liberalization and privatization.

As a student, it's important to be aware of and adhere to the relevant University legislation regarding attendance, academic honesty, and academic integrity. This course will closely follow the textbook, listed readings, and articles, with additional readings periodically added to supplement your learning. To stay ahead of the material, it is highly recommended that you read the assigned material before each lecture. Please note that there will be no opportunity to make up for a missed midterm or presentation. If you cannot attend, you must provide a valid excuse, or else you will receive a grade of zero. Your questions are always welcome and encouraged.

Course Requirements & Readings

The Financial Economics of Privatization, Megginson, W. L., Oxford University Press, 2005,

Reforming Infrastructure: Privatization, Regulation, and Competition, Kessides, I. World Bank. 2004

Economic liberalization and Turkey, Togan, S., Routledge, 2010.

The Political Economy of Regulation in Turkey, Çetin, T. & Oğuz, F. Springer, 2011.

Grading

The course will have a midterm in the middle of semester, final exam at the end, and oral presentations for bonus. Grading will be based on the following weights: Midterm Exam (40%) and Final exam (60%). Oral presentations will be made with teamwork. Teams may include a maximum of 2 people. Presentation topics will be chosen by the teams. The topics can be any topic that is related to the scope of this course.

*Note: Course attendance is mandatory.

Overview of the Course

Lecture 1: The Scope of Privatization (Megginson, chapter 1)

Lecture 2: Why Do Countries Privatize? (Megginson, chapter 2)

Lecture 3: How Do Countries Privatize? (Megginson, chapter 3)

Lecture 4: The New Paradigm for Network Utilities (Kessides, chapter 1)

Lecture 5: Crafting Regulation for Privatized Infrastructure (Kessides, chapter 2)

Lecture 6: Privatization in Commercial Banking and Financial Development (Megginson, chapter 7 & 9)

Lecture 7: Privatization in Telecommunications (Megginson, chapter 8)

Lecture 8: Privatization in Energy and Airlines (Megginson, chapter 10)

Lecture 9: Economics of Liberalization (Sübidey Togan, chapter 1, 2, 3 & 10)

Lecture 10: Successes and Failures (Megginson, chapter 11 & Roland, 2008)

Lecture 11: Presentations