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Swedish privatization [1]

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In Stockholm, where I have been doing events at Timbro, the excellent local liberal think-tank, lunch with a selection of professors and politicians ? including current MPs and former party leaders ? was interesting.

In particular, everyone was very interested in the UK experience of privatization. The government here are trying to sell a few companies, but it's proving hard work. I think they are trying to sell the idea on the grounds of efficiency - but that's not something the pubic really relates to. And it's hard to measure even if you're successful: UK companies changed so much after privatization that you're really comparing chalk with cheese when you try to measure their performance. They become just different kinds of company.

Also, the government has a list of companies it wants to privatize. I see the merit of having a programme well thought out, but again, I'm not sure of the wisdom of this. It enables doubters ? who invariably include the management an workforce of all the companies on your list ? to combine together into a big opposition movement. Better to take on difficult challenges like privatizaiton one at a time.

But in reality there's no need for governments to make such mistakes in privatization, and I left Timbro with lots of links to our website where we have discussed these issues over many years.

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