Course Description
This course examines the theory and practice of privatization and contracting in the public sector. The focus of the course will be on analyzing whether to privatize or contract specific public goods or services and how to structure the contract if the decision is to privatize or contract. The course will draw on the literature from economics, political science, and public policy to provide students an interdisciplinary framework for analyzing privatization and contracting, as well as some aspects of their interrelation with regulation. The course will also take a global perspective, examining privatization and contracting in various settings around the globe. Students will acquire and hone their analytical skills through exams, term papers, and case analyses.

Course Objectives
- Students will understand the context of privatization and contracting in the public sector
- Students will learn various approaches to privatization and contracting in the public sector
- Students will acquire analytical skills and tools for determining whether and how to privatize or contract public services

Course Requirements and Evaluation:
Each student is expected to read the item(s) listed as 'required readings' for each session. The selection of required reading(s) will be announced once the final size of the class is known.

In addition, students are expected to complete:
(1) A final exam or –alternatively- a research note with a topic to be determined in advanced with the instructor.
(2) Class Presentation of a topic in the program.
(3) Participation in class discussions.

Grading: (1) Class presentation: 40%; (2) General class participation 20%; and (3) Final Exam or Research Note 40%.
**Course Schedule:**

**Session 1: Introduction. Main issues in privatization and contracting: The Privatization/Contracting Out Debate**


**Session 2: Public firms and public production in market economies:**


**Session 3: Historical Roots of Privatization and Contracting**


**Session 4: Economic Theory of Privatization**


**Session 5: The Political Economy of Privatization and Contracting Out**


Session 6: Factors explaining privatization

Session 7: Economic effects of privatization (1)

Session 8: Economic effects of privatization (1)

Session 9: Privatization, regulation and competition

**Session 10: Alternatives to privatization: Joint and Mixed Approaches to Service Delivery**


**Course General Readings**

*Two general readings*


*Two specific readings*
