

# Contracting Issues at the Intersection of the Public and Private Sectors



## Conference on Privatization

November 7-8, 2013

**BB&T Center for the Study of Capitalism  
Wake Forest University School of Business**

In these challenging times of economic recession and fiscal stress, how to achieve a humane and just society is a central and enduring concern for all. The issue of privatization directly addresses this concern. It spotlights the appropriate role for and breadth of government, the ability of private enterprise to successfully address the general welfare, and costs borne by every citizen for each approach.

Leading scholars from around the world will convene at Wake Forest University to discuss these important issues.



**BB&T** Center  
— for the Study of —  
**Capitalism**

[www.capitalism.wfu.edu](http://www.capitalism.wfu.edu)

## **"Contracting Issues at the Intersection of the Public and Private Sectors" Conference on Privatization**

Should the U.S. air traffic control system and the interstate highway system be owned and run by the government? Each depends on annual subsidies from the government to keep operating. These high profile organizations are but two of many organizations designed to provide for the general welfare of the public, and which are owned and operated by the government.

In recent decades governments around the world have sold off state-owned assets to private investors. Should the U.S. do the same?

What are the advantages and disadvantages of privatizing organizations on which the public depends? What are the challenges in achieving operational efficiency and financial success when governments manage such organizations?

### **Conference Schedule**

**November 7, 2013**

**7:45 p.m. Welcome and Keynote Address**

*Farrell Hall, Broyhill Auditorium*

#### ***"Infrastructure: New Frontier For Privatization"***

Robert Poole, Searle Freedom Trust Transportation Fellow and Director of Transportation Policy, Reason Foundation

Robert Poole is one of the world's leading policy experts on how to serve the general welfare through organizations operating at the intersection of the public and private sectors. He has served as an advisor on aviation and surface transportation policy to every administration from Ronald Reagan through George W. Bush. He coined the term "privatization" in the 1980s. He has authored dozens of books and hundreds of articles on public policy. His articles and opinion pieces have appeared in the *Wall Street Journal*, *New York Times*, *USA Today*, and *Forbes*. He has often appeared on national television including CBS News, NBC's Nightly News, ABC World News Tonight, and Good Morning America.

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**November 8, 2013**

*All paper sessions in Farrell Hall, Room 108*

**8:00**     ***Continental Breakfast and Welcome***

**8:30**     ***The Effects of Foreign and Government Ownership on Bank Lending Behavior During a Crisis in Central and Eastern Europe***

Franklin Allen (University of Pennsylvania), Krzysztof Jackowicz (Kozminski University), Oskar Kowalewski\* (Kozminski University)

**9:10**     ***Bank Ownership and Credit Over the Business Cycle: Is Lending by State Banks Less Procyclical?***

Ata Can Bertay\* (World Bank), Asli Demirguc-Kunt (World Bank), Harry Huizinga (Tilburg University)

**9:50**     ***The Value of Government Ownership During the Global Financial Crisis***

Christof Beuselinck\* (IESEG School of Management), Lihong Cao (Hunan University), Marc Deloof (University of Antwerp), Xinping Xia (Huazhong University of Science and Technology)

**10:30**    ***Refreshments Break***

**10:45**    ***State Capitalism's Global Reach: Evidence From Foreign Acquisitions by State-Owned Companies***

George A. Karolyi\* (Cornell University), Rose C. Liao\* (Rutgers University)

**11:25**    ***Government Asset Sales, Economic Nationalism, and Acquirer Performance***

Ginka Borisova\* (Iowa State University), Arnold R. Cowan (Iowa State University)

**12:05**    ***Lunch***  
*Farrell Hall*

- 1:15     *Governmental and Independent Venture Capital Investments in Europe: A Firm-Level Performance Analysis***  
Douglas J. Cumming (York University), Luca Grilli (Politecnico di Milano),  
Samuele Murtinu\* (Politecnico di Milano)
- 1:55     *Growth and Growth Obstacles in Transition Economies: Privatized Versus De Novo Private Firms***  
Juliet D'Souza\* (Georgia Gwinnett College), William L. Megginson (The  
University of Oklahoma), Barkat Ullah (The University of Texas at El Paso),  
Zuobao Wei (The University of Texas at El Paso)
- 2:35     *Do State and Foreign Ownership Affect Investment Efficiency? Evidence From Privatizations***  
Ruiyuan Chen (University of South Carolina), Sadok El Ghouli (University of  
Alberta), Omrane Guedhami\* (University of South Carolina), He Wang  
(University of South Carolina)
- 3:15     *Refreshments Break***
- 3:30     *Market Facilitation by Local Government and Firm Efficiency: Evidence from China***  
Robert Cull\* (World Bank), Lixin Colin Xu (World Bank), Xi Yang (John  
Hopkins University), Li-An Zhou (Peking University), Tian Zhu (China  
Europe International Business School)
- 4:10     *The Constraints on Full Privatization: International Evidence***  
Narjess Boubakri\* (American University of Sharjah), Jean-Claude Cosset  
(HEC Montréal), Walid Saffar (The Hong Kong Polytechnic University)
- 4:50     *Concluding Remarks***

\*Conference Paper Presenters

For additional conference information, presentation agenda, and registration:  
[www.capitalism.wfu.edu/conference2013/](http://www.capitalism.wfu.edu/conference2013/)