

PRIVATIZATION OF STATE PROPERTY IN BELARUS

State-owned enterprises take a dominant position in the Belarusian economy. They provide about half of the country's budget, control about 70% of all industrial production, about 35% of goods and services exports. And they are the largest loan debtors in country. There are about 3500 enterprises, in part or in whole owned by the state in Belarus. However, every fourth of them is loss-making. The state owns so many assets scattered across different sectors of the economy that it physically unable to manage everything effectively. Annually large sums of money are spent on supporting, paying off debts and modernization of inefficient state enterprises. Money for this purpose is taken either from the national budget, or from foreign loans, which does not make life easier for Belarusians.

It is estimated that businessmen invest money more readily and they are better specialists at managing assets than the public sector workers. The motivation in the private structure is always much higher than in the state. Private ownership is a huge burden and responsibility, it should be carefully monitored and properly managed. Every mistake will cost a lot for the owner. In order to diminish costs and maximize profits he introduces new technologies, expands the possibilities of the company. Since competitors are breathing in the back, the individual has no choice but to produce really high-quality goods at a fair price. World Bank experts conducted a study and found out that private structures in Belarus work 40% more efficiently than public ones.

Nevertheless, the problem is that in the current economic situation of the country we are unlikely to find many of those who want to buy state assets. Besides, as soon as the company falls into the hands of individuals, a large number of employees is turned out to be fired and they will join the ranks of the unemployed.

So, until we put into practice the rule of law guaranteeing the inviolability of private property and a good investment climate for entrepreneurs, the privatization policy will be ineffective in our country. A really free economy, where the state does not spoil, but improves the conditions for fair competition should be created.