The State-Owned Enterprises (SOEs) and State Control System were painstakingly constructed during 1950s, '60s and early '70s all over the world, mainly with a view to achieve commanding heights of the economy. In this process, the fulfillment of social objectives was top of the agenda. These decades, hence, were considered to be the period of mushroom growth and development of public enterprises. However, over the period of time it was realised that these enterprises were failing miserably to meet the socio-economic objectives set for them as majority of them, in most of the countries, were running into red. The reasons assigned to their lack-lustre performance were gross inefficiency and ever declining overall factor productivity.

Hence, with the onset of the decade of '80s the wind of economic reforms began to blow all over the world, specially in the developed countries like, the United Kingdom (U.K.) and the United States of America (U.S.A.). These Countries, later on, played a pioneer role holding a forceful debate with regard to adoption of reform packages under the banner of liberalisation and globalisation. Market economy started gaining currency. It was here only that the privatization was recognized as a proper and effective tool for economic transformation and development. There is now consensus that the privatization generates forces for improvement in the economy. It improves efficiency of production, reduces the burden on their budget, lowers the debt burden and, on the whole, ameliorates the living standard by infusing spirit of competition.

Thus, the year 1990 ushered in unique kind of global revolution. The United Kingdom (U.K) which championed embarking upon the privatization process in 1980s set an example for other many more countries to emulate by shifting their SOEs in one form or in other to the private sectors. The process of privatization gained requisite momentum and currency in 1990s pervading all over the world.

Bangladesh is no exception to this phenomenon. In Bangladesh too, the State-Owned Enterprises (SOEs) grew by leaps and bounds just after the war of liberation (1971) and introduction of socialistic approach to the economy. However, over the period of time the State Owned Enterprises (SOEs) failed to achieve their socio economic objectives and thus incurred huge losses exerting heavy pressure on the national exchequer. They became an unsustainable burden on the government.

It was in 1976 that the new government of president Ziaur Rahman brought about radical changes in the economic policy discarding the socialistic approach and announcing the adoption of denationalisation policy. Since then, several changes have been made in the Industrial policies from time to time with a view to opening the door of economy for private participation. The privatization programme in Bangladesh was chalked out vigorously after the declaration of Industrial Policies of 1982, 1986 and 1991.

The present study regarding privatization in Bangladesh is designed to analyse the emerging issues in implementing the privatization programmes and policies. An endeavour
has also been made in the present study to evolve some appropriate set of strategies to deal with upcoming issues for effective future privatization.

Scheme Of Chapterisation (A Preview):

The present study has been divided into seven chapters. The framework of each chapter is briefly adumbrated as under:

In the first chapter, privatization in relation to market economy has been discussed at length. The pattern of growth of State-Owned Enterprises (SOEs) in both developed and developing countries has been analytically studied. This chapter also explains as to how privatization movement towards the market economy begins throughout the world. Lastly, the study has focussed on the privatization movement in Bangladesh.

The second chapter presents the layout of the study. It provides the detailed review of literature examining previous studies on privatization of SOEs the world over as well as in Bangladesh. The present chapter also entails an analysis of the problems, need for the study, scope and objectives of the study. Then it introduces the research hypotheses, research methodology and limitations of the study.

The third chapter highlights the concepts and the dimensions of privatization from different viewpoints and angles. This chapter critically reviews the definitions of privatization from macro and micro level.

The fourth chapter gives a vivid description as regards rationale of privatizing State Owned Enterprises (SOEs) in Bangladesh. Evolution of SOEs in Bangladesh with their evaluation of financial performance has also been incisively analysed. A comparative analysis of public and private enterprises regarding profitability, productivity, value addition, employment etc. has been taken up for critical examination.

Chapter five deals with the ongoing programmes of privatization in Bangladesh along with emerging issues regarding implementation of privatization programme. This chapter throws light mainly on Industrial Policies vis-a-vis privatization, disinvestment in Bangladesh and some emerging issues relating to Privatization. Strategies for effective privatization programme and possibilities of future privatization in Bangladesh have been presented in chapter six.

The final chapter contains a summary of conclusions and recommendations for the success of privatization programmes in Bangladesh. The recommendations would have far reaching effects on policies for smooth transition to market economy after the completion of privatization for complementarity with SAARC economies and global competitiveness.