

Q NO 2 = Privatization is inevitable
as state owned enterprises have
been ?

Introduction:

According to the theory of
New Public Services in Public
Administration "Privatization is
an important part of administration".

New Public Service theory which is mostly implemented in some countries which prefers Privatization of State own enterprises because some State own enterprises are the source of economic stagnation. Therefore, Privatization of State own enterprises is necessary in loss economy. Same is the case in Pakistan which is economically worst country and its 90% State own enterprises are in loss. So, Pakistan must applied effective services and management techniques for efficiency and effectiveness of State own enterprises together with it. Pakistan can't improve State own enterprises then Pakistan must Privatized it timely.

State own^{ed} enterprises as a burden on economy.

State own enterprises provide services to ordinary men which is it's good action but on the

Other hand, State own enterprises sometime is the source of economic stagnation because state own enterprises do not work efficiently and effectively. Therefore, a great budget spends on state own enterprises working.

Thus, state owned enterprises, if work properly with efficiency, it will be fruitful for economic growth of ^{the} state.

State owned enterprises in Pakistan.

Pakistan has several state owned enterprises. Pakistan Steel mill, some banks, some industries and Pakistan railway. Pakistan yearly spending a lot of budget on all owned enterprises because state owned enterprises not providing ~~self~~ sufficient amount to government.

Pakistan which is already facing numerous economic challenges and the burden

of state owned enterprises is another another economic issue for Pakistan.

Bhutto Nationalization Policy and its impacts

Nationalization Policy of Bhutto provided one side employment opportunity to Pakistan people but on the other hand this Policy would proved a loss of economy for Pakistan. Zulfikar-Ali-Bhutto made three Phase of nationalization Policy, in which he taken the control of industries, steel mills, financial banks and factories.

this Policy economically impacted on Pakistan growth. Consequently, Pakistan Politician decided to Privatized these institutions that are providing less amount of government and receiving more amount in budget.

Privatization of Pakistan Air Line.

Pakistan air line already in

economically loss because a great amount of budget was spending on movement of Pakistan International Air Line. Therefore, Pakistan bureaucrats and politicians decided to Privatized it. So, Pakistan federal govt Privatized it in previous year with amount of 134 billion rupees. Pakistan spend several billion rupees of Pakistan air line working.

Privatization is inevitable for State owned enterprises.

Privatization is an important step if the state owned enterprises were going towards more and more economic loss. Privatization method is not only administration method of Pakistan and India, but also several Western and African countries adopting it for the welfare of state. It is not necessary that state owned enterprises can't work efficiently without govt administration but with private administration, sold state owned enterprises

can work effectively.

Case Study of America

Woodrow Wilson who was the 28th President of America supported Privatization method in Public-administration. Private administration can enhance the Productivity of an organization.

Privatization of State owned enterprises can reduce the burden on economy if they are not working efficiently. On the other hand New Public Management method encourages Privatization of state owned enterprises and argues that government should provide ^{emp. quality} opportunities to citizens rather than employment. In the nutshell, Privatization is an other important function of government if State owned enterprises in loss.

Recommendation

Pakistan government must focus

on education sector and intellectual productivity because research and development can reduce the economic stagnation.

Experienced technocrats with specific task **should** make administrations of State controlled enterprises.

If State owned enterprises are not generating sufficient amounts then it must be privatized.

Govt can take the step of Public-Private Partnership, if govt feel that it is fruitful than Privatization and State Control.

Human Relation management technique must^{be} used in human resource management that productivity can increase.

Conclusion:

State owned enterprises must Privatized, if they are not generating

Sufficient amount. Furthermore, Govt must review Bhutto nationalization Policy and encourage Public-Private Partnership if it is more beneficial than Privatization. In the nutshell, Govt Pk. Should provide employment opportunities to citizens rather than employment. So, Govt should take step after cost and benefit analysis and ~~prefer~~ country interest rather than economic stagnation.