

# Ownership and Corporate Control in Advanced and Transition Economies

## Syllabus Spring 2011

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Thursday 16:30 – 17:30, NYU; otherwise, on agreement

**Course description:** The subject of the course is to describe one of the most profound changes to take place in the history of the world economy – the rapid change from centrally planned economies to market economies throughout what used to be known as “the Soviet block”. Although some reforms in some countries began much earlier, the true transition began in most Central and Eastern European countries roughly in 1990. This means that scholars and researchers are only now beginning to have the data and a sufficient distance needed to study and analyze the transition process.

### Grading policy

Class participation/attendance:	10%
Paper or other assignment:	30%
Mid-term:	30%
Final:	30%

### Schedule of classes

#### *Week 1 –*

25 January - Overview of course

27 January - Introduction A general overview of the Czech economic climate and a short description of the Czech membership in the European Union

Growth and production indicators and their comparison

A special text for reading prepared

#### *Week 2*

1 February - A general overview of the Czech economic climate and a short description of the Czech membership in the European Union

Price and inflation indicators and their comparison

A special text for reading prepared

3 February - A general overview of the Czech economic climate and a short description of the Czech membership in the European Union

External economic indicators and their comparison

A special text for reading prepared

*Week 3*

8 February - A general overview of the Czech economic climate and a short description of the Czech membership in the European Union

Economic policy (monetary, fiscal, industrial) issues and their comparison

A special text for reading prepared

10 February – A short overview of centrally planned economies

Definitions and Concepts

A special text for reading prepared

Gros, Steinherr 1995, Chapters 1 - 3

*Week 4*

15 February - A short overview of centrally planned economies

Institutional design of Socialist economies

17 February – A short overview of centrally planned economies

The absence of property rights

*Week 5*

22 February - A short overview of centrally planned economies

The role of planning and administrative control Banking under Socialism

A special text for reading prepared

24 February - Economic reforms: Failures and Achievements

Scope and timing of reform

Gros, Steinherr 1995, pp. 56 – 73

Economic Reform in the Czech Republic: Velvet Revolution or Velvet Blanket ?, East-West Institute, 1998

A special text for reading prepared

*Week 6*

1 March - Economic reforms: Failures and Achievements

Price liberalization External liberalization

3 March - Economic reforms: Failures and Achievements

Exchange-rate regime in the transition period

A special text for reading prepared

Payment Systems and the Recovery of Mutual trade between the Central and South-East European Countries and the CIS, Working Paper 28/1993, LICOS

*Week 7*

8 March - **Mid-term test**

Topics cover the content of lectures in the previous period of the semester

10 March - Economic reforms: Failures and Achievements

Pros and cons of early convertibility. The choice of an exchange-rate regime.

A special text for reading prepared

*Week 8*

15 March - Economic reforms: Failures and Achievements

Budgetary reform and fiscal policy

Gros, Steinherr 1995, Chapters 5 – 7

A special text for reading prepared

17 March – Privatization Pre-privatization behaviour of firms Various forms of Privatization

A special text for reading prepared

Gros, Steinherr 1995, pp. 181 – 222

Banking Sector Development in Central and Eastern Europe, CEPR

Capital Markets in Central and Eastern Europe, Edward Elgar, 1999

*Week 9- Fall Break – no classes*

*Week 10*

29 March - Issues of Corporate Control Issues of Monopoly and Antitrust Policy

31 March - Corporate Restructuring Bankruptcy

A special text for reading prepared

*Week 11*

5 April - Financial Markets

7 April - The Banking Sector

A special text for reading prepared

*Week 12*

12 April - Stock and Bond Markets

A special text for reading prepared

14 April - Reintegration in the World Economy Changing Trade Patterns The Role of International Institutions Integration into the European Union

Relevant official documents and materials issued by the IMF, the World Bank, the OECD and different EU institutions

A special text for reading prepared

*Week 13*

19 April - Integration into the European Union

Description of the main effects for the Czech Republic and the other newcomers

21 April - Integration into the European Union

Description of the main effects for the Czech Republic and the other newcomers

*Week 14*

26 April – **Written final exam**

28 April - **Presentation of the essays and round-table discussion**

*Week 15*

3 May - **Presentation of the essays and round-table discussion**

5 May - Evaluation of the semester

**Bibliography:**

Daniel Gros and Alfred Steinherr: Winds of Change, Longman, 1995

Payment Systems and the Recovery of Mutual trade between the Central and South-East European Countries and the CIS, Working Paper 28/1993, LICOS

Economic Reform in the Czech Republic: Velvet Revolution or Velvet Blanket ?, East-West Institute, 1998

Banking Sector Development in Central and Eastern Europe, CEPR, 1996

Capital Markets in Central and Eastern Europe, Edward Elgar, 1999

Agenda 2000, European Commission, and many relevant official EU documents and materials