Legal Mechanism Of Monitoring State Property In Russia  
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ABSTRACT

The failure of socialism in Russia and Eastern Europe does not mean that the institution of state property is, in itself, discredited. Privatization in these countries did not aim to abolish all means of government influence over former state enterprises, but was conceived as a method of eradicating absolute state supervision, which derived from the state's exclusive ownership interest in the enterprises. This dissertation is a study of the role of the state in monitoring state property. Exploring the positive and negative sides of the Soviet legislative experience in attempting to provide state enterprises with some measure of economic autonomy, the author maintains that the market has more practical importance for the efficiency of enterprises than does the private ownership of capital. Evaluation of the problem of transforming the role of the state in a market economy demonstrates that privatization is not a panacea, and that government control is not a fatal malady. As a result, the author concludes that there is a role for the state in corporate governance. This dissertation is thus a discussion of the various methods that government may employ to retain some control over privatized enterprises and of the reasons for such control. In considering the specific monitoring devices in Russia and Eastern Europe, the author compares the results of his analysis with that of the securitization and privatization experiences of state enterprises in other areas of the globe. While such monitoring devices are not a surrogate for government superintendence over the management and daily operation of enterprises, as formerly prevailed in socialist countries, they do provide governments with quite effective legal instruments for protecting their national interest and for ensuring that certain major decisions affecting the operation of the enterprises are consistent with government policies. The possibility of utilizing such techniques indicates that
governments do not need to fully own an enterprise in order to accomplish their specific objectives.