# Article information:

Is privatization a socially responsible reform? - ScienceDirect
<https://www-sciencedirect-com-443.webvpn.cufe.edu.cn/science/article/pii/S0929119918304632>

# Article summary:

1. Privatized firms have better CSR intensity than other publicly listed firms.

2. There is a nonlinear relation between residual state ownership and CSR intensity that depends on the trade-off between political objectives of the government and profit maximization objectives of private owners.

3. Country-level institutions affect the state ownership–CSR intensity relation, and PFs benefit from higher valuation and lower equity financing costs through improved CSR.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article “Is privatization a socially responsible reform?” is an analysis of the link between corporate social responsibility (CSR) and government ownership using a unique sample of privatized firms (PFs) from 41 countries over the 2002 to 2014 period. The article provides evidence that PFs have, on average, better CSR intensity than other publicly listed firms, as well as a nonlinear relation between residual state ownership and CSR intensity that depends on the trade-off between political objectives of the government and profit maximization objectives of private owners. It also suggests that country-level institutions affect the state ownership–CSR intensity relation, and PFs benefit from higher valuation and lower equity financing costs through improved CSR.

The article appears to be reliable in terms of its sources, as it cites numerous studies conducted by reputable authors in its references section. However, it should be noted that some of these studies are quite old (e.g., Adams et al., 2009; Atkinson & Stiglitz, 1980), which may mean that their findings are no longer applicable or relevant in today’s context. Additionally, while the article does provide evidence for its claims, it does not explore any counterarguments or present both sides equally; instead, it focuses solely on presenting evidence for why privatization is a socially responsible reform without considering any potential risks or drawbacks associated with this type of reform. As such, readers should take this article with a grain of salt when considering whether privatization is indeed a socially responsible reform or not.

# Topics for further research:

* Privatization risks
* Privatization drawbacks
* Privatization and corporate social responsibility
* Privatization and government ownership
* Privatization and equity financing costs
* Privatization and country-level institutions

# Report location:

<https://www.fullpicture.app/item/be58a2c0bc6133f206722674306d34f9>