

## The Privatization and Regulatory System in Britain :

A Case Study of British Railways

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Privatization of public utilities is a major problem, not only in Asian countries but also one receiving global attention. The UK began to privatize public utilities earlier than other countries in 1979, under the Thatcher government. Other countries having implemented their own privatization policies also consider the UK to be the model of privatization, since the level of privatization there was far more extreme. Alongside the privatization in the UK, a new kind of governance was established by the Thatcher government and reformed by the Blair government. Though the final goal of privatization is to open up the market to the private sector and develop competition to improve the “capital market” and “reduce government”, the protection of public interests is also guaranteed through the regulatory system, even in countries where the level of privatization is very extensive, like the UK. This paper attempts to introduce the privatization and regulatory system in the UK, via a case study of British Railways. We were able to conclude that privatization in specific fields, such as Railways, is unique and in the public interest, while the protection of public services is also a crucial factor to consider. Experience of the UK model will provide us with a new perspective with which to analyze the privatization of public utilities.