**Liberalization-Privatization Paths.**

**Does Partisanship Matter?**

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**Abstract**

We investigate the role of political determinants of deregulation policies in thirty OECD network industries, unbundling privatization and liberalization decisions. Contrary to conventional wisdom, we find that both right-wing and left-wing governments promote a policy mix of liberalization and privatization policies. Moreover, deregulation is implemented on average by smooth gradualism rather than by big-bang. However, while left-oriented governments show a positive and statistically significant preference towards liberalization over privatization, the opposite is shown for right-wing governments. The observed sequencing of liberalization-privatization paths confirms our results. We then argue that political determinants in a country turns out to be a prerequisite to predicting its evolution in terms of liberalization-privatization patterns.

**Keywords**: Network Industries – Political Determinants – Liberalization-Privatization Path - Panel data

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