

This work aims after more than twenty five years to assess the processes of privatization, which took place at the end of the twentieth century in Russia. Analysis of the privatization, its legal framework, realization and the consequences will enable us to conclude that a change of ownership form from state to private one alone does not guarantee the emergence of effective owner and proper functioning of the market economy. Privatization of state enterprises could have a positive impact on economic activities of entities only if it was accompanied by the necessary institutional transformation, which would provide a precise specification of property rights, the creation of the actual mechanisms of their exchange and the emergence of market competition.