



Topics in Economic Policy

Winter semester 2018/19

Economic Theory of Democracy and Dictatorship

Outline

This course examines the relationships between political regimes and economic development. Economic causes and consequences of autocratic and democratic political institutions are analyzed by means of formal economic models. Focusing on the key assumptions, mechanisms, and implications, similarities and differences between related approaches are highlighted.

Schedule

Introductory session: October 24, 2018, 2.50 – 4.20 p.m., GÖR/127/U

Seminar presentations: January 18 and January 25, 2019
9.00 a.m. – 3.00 p.m., SCH B37

Instructors

Prof. Dr. Alexander Kemnitz, office hours: Tuesday, 4.40 - 6.10 p.m., SCH C265
Phone: (0351) 463-34041, email: alexander.kemnitz@tu-dresden.de

Martin Rößler, M.Sc., office hours: by appointment, SCH C262
Phone: (0351) 463-39132, email: martin.roessler@tu-dresden.de

Requirements

Basic knowledge in microeconomics and macroeconomics.

Modules


MA-WW-VWL-2704, D MA-WW-WIWI-2704: Topics in Economic Policy

MA-IB-WP-GPOE-IW: Global Economic Governance

Mail to
Technische Universität Dresden
Fakultät Wirtschaftswissenschaften
01062 Dresden

Bulk mail to
Technische Universität Dresden
Helmholtzstraße 10
01069 Dresden

Secretary
Schumann-Bau, C264
Münchner Platz 2-3
01187 Dresden

 *Access*
Use elevator
Hülse- Bau (3rd floor),
passage via North Wing to
Schumann-Bau

No access for digitally signed or encrypted documents.

Internet
<http://tu-dresden.de/wipol>



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Application

Application is possible during October 8th – 19th, 2018 by email to wipo.office@tu-dresden.de. The application must include name, matriculation number, degree program, and up to three proposals of topics ordered according to preferences. Feasible topics are specified below. Students are expected to have made themselves familiar with the respective articles before applying. Topics will be allocated in the introductory session according to the participants' preferences.

Exam

Seminar paper (weight: 2/3)

The seminar paper has to provide an informative summary and a critical review of the basic article. The seminar paper should not exceed 20 pages in 12pt font and 1.5 line spacing (15 pages only for module MA-IB-WP-GPOE-IW).

The seminar paper has to be submitted by January 11, 2019 as a hardcopy to the secretary of the Chair (Sabine Wagner, SCH C264, office hours: 11.30 a.m. – 3.30 p.m.) and as pdf to martin.roessler@tu-dresden.de.

Presentation and Discussion (weight: 1/3):

The presentation should provide a summary of the seminar paper. It should not exceed 30 minutes (excluding interposed questions), followed by discussion of about 30 minutes. Being familiar with the topics and the literature, all participants are expected to contribute constructively to the discussion of each presentation.

Both examinations are taken in English.

Topics

1. Loyalty and repression under dictatorship

Wintrobe, R. (1990): The Tinpot and the Totalitarian: An Economic Theory of Dictatorship. *American Political Science Review* 84(3): 549-872.

2. Selectorate, winning coalition, and leader survival

Bueno de Mesquita, B., Morrow, J.D., Siverson, R.M. & Smith, A. (2002): Political Institutions, Policy Choice and the Survival of Leaders. *British Journal of Political Science* 32(4): 559-590.

3. Political regimes and public goods provision

Deacon, R.T. (2009): Public good provision under dictatorship and democracy. *Public choice* 139: 241-262.

4. Political instability and economic growth under autocracy

Bar-El, R. (2009): Dictators, development, and the virtue of political instability. *Public Choice* 138: 29-44.

5. Democracy and economic growth

Agion, P., Alesina, A. & Trebbi, F. (2007): Democracy, technology, and growth. *NBER Working Paper* No. 13180.

6. Institutions and state capacity

Besley, T. & Persson, T. (2009): The Origins of State Capacity: Property Rights, Taxation, and Politics. *American Economic Review* 99(4): 1218-1244.

7. Democratization, repression, and the scope for concessions

Acemoglu, D. & Robinson, J.A. (2000): Democratization or repression? *European Economic Review* 44(4-6): 683-693.

8. The role of political institutions for political violence

Besley, T. & Persson, T. (2011): The Logic of Political Violence. *Quarterly Journal of Economics* 126(3): 1411-1445.

9. Political transitions

Acemoglu, D. & Robinson, J.A. (2001): A Theory of Political Transitions. *American Economic Review* 91(4): 938-963.

10. FDI, foreign interventions, and political stability

Aidt, T.S. & Albornoz, F. (2011): Political regimes and foreign intervention. *Journal of Development Economics* 94(2): 192-201.