# The strategy and political economy of reforms

**Course code:** DOPP5393

**Instructor:** Marek Dabrowski and Ivan Mikloš

**No. of credits (US/ECTS):** 2

**Academic year and term (fall/winter/spring):** 2023-24 Winter

**Course level: MA**

**Relationship with other courses (e.g. prerequisites for taking the course):** none

**Course type (Mandatory, Mandatory Elective, or Elective):** Elective

## Course description

The course offers students comparative knowledge on various strategies in reforming economies in response to macroeconomic and financial crises, economic stagnation caused by the inefficiency of economic systems, political turmoil, war and conflicts, adverse economic and political shocks, etc. It analyses policy experience in various geographical regions: Central and Eastern Europe (CEE), former Soviet Union (FSU), East, South East, and South Asia, Middle East, and North Africa (MENA), Sub-Saharan Africa (SSA), and Latin America and Caribbean (LAC) region. The course focuses on emerging-market economies, i.e., middle-income countries, which opened to trade and financial flows in the 1990s and 2000s.

The course will have an interdisciplinary character. The focus will be economic analysis with political science and international relations elements. More specifically, it will include questions of the economic history of the 20th and early 21st century, comparative analysis of economic and political systems, the political economy of policy reforms, macroeconomic policy, microeconomic policy, social policy, trade policy and economic integration, and global and regional governance.

The course will consist of two parts: Part 1, analyzing comparative experience of individual emerging-market regions except CEE and FSU and Part 2, concentrating on transition and reforms in CEE and FSU.

## Objectives and learning outcomes

During the course, students will learn the economic, political economy and political determinants of policy reforms, and advantages and disadvantages of alternative reform strategies and their outcomes. By the end of the course, they will understand what works and what does not in the process of proposing and implementing reforms, they will be able to recognize real systemic changes and reforms and marketing pro forma “reforms”, they will understand what are necessary political preconditions for successful systemic change. They will also learn about the interlinks between economic and political reforms and the impact of global economic and financial integration on national policymaking.

## Course structure

Twelve interactive classes (six for each part of the course) will provide enough space for the instructors’ presentation and mutual discussion. In addition to the course’s materials, the instructors will also share their personal policymaking and policy advising experience.

## Grading:

* Student attendance of the course: 30%
* Written exam: 70%

The written exam will have a test form and require answering 40 questions (of which 20 related to the first part and 20 – to the second part of the course), four possible answers each, and only one correct answer. The exam is scheduled for the week following the last class.

# The course outline (12 classes, 100 minutes each, weekly basis as indicated in the schedule)

# Part 1 of the course: Comparative experience of emerging-market economies

Instructor: Marek Dabrowski

The first part of the course will offer students a historical overview of reforms experience in major emerging-market economy regions and a summary analysis of reforms’ determinants, successful and unsuccessful strategies, outcomes, and interrelation between economic and political reforms.

## Classes 1-2: Reforming and stabilizing economies – economic, political economy and political challenges

1. Circumstances leading to the necessity of reforms and stabilization programs (conflicts and wars, domestic political changes, the inefficiency of economic systems/ policies, macroeconomic instability caused by domestic and external factors, populism, etc.)
2. Agenda of economic reforms (most frequent components)
	1. Macroeconomic stabilization
	2. Domestic and external liberalization
	3. Ownership changes, privatization and enterprise restructuring
	4. Institutional and legal reforms
	5. Reforming social policy and social safety nets, fighting poverty and excessive inequality
	6. Developing and reforming technical and social infrastructure
3. The political economy of reforms
	1. A political window of opportunity for reform and its practical use
	2. Building pro-reform coalitions
	3. Reform speed and sequencing
	4. Compensating losers
4. External anchoring/ support to reforms
	1. The role of external anchors and support (financial aid, economic integration, technical assistance, policy conditionality)
	2. The Bretton Woods institutions (IMF, World Bank, WTO)
	3. Regional development banks
	4. Bilateral assistance
	5. Regional integration blocs, in particular, the role of the EU
5. The importance of democracy and political reforms
	1. Interrelation between a market economy and democracy (historical trends, contemporary picture)
	2. How a market economy helps democracy and vice versa?
	3. Interrelation between economic and political reforms during the post-communist transition
	4. Authoritarian drift in the early 20th century – its causes and impact on economic policies and economic systems

### Recommended literature

* Roland, G. (2002) ‘The Political Economy of Transition.’ *Journal of Economic Perspectives*, Vol. 16, No.1, pp. 29-50. <https://www.aeaweb.org/articles/pdf/doi/10.1257/0895330027102>
* Balcerowicz, L. (1994) ‘Understanding Post-communist Transitions.’ *Journal of Democracy*, Vol.5, No.4, October
* Gros, D. (2014) ‘From Transition to Integration. In: Aslund, A. and Djankov S. (eds.) *The Great Rebirth: Lessons of the Victory of Capitalism over Communism*. Washington: Peterson Institute for International Economics (Chapter 12)
* Barro, R. (1994): *Democracy and Growth*, NBER Working Paper, No. 4909, October, <http://www.nber.org/papers/w4909.pdf>
* Gable, S. (2005) ‘The effect of democracy on different categories of economic freedom.’ *European Journal of Political Economy*, Vol. 21, No. 4, pp. 967-980. DOI: 10.1016/j.ejpoleco.2004.11.005
* Dabrowski, M. (2021) ‘The Antidemocratic Drift in the Early 21st Century: Some Thoughts on its Roots, Dynamics and Prospects.’ *Central European Business Review*, Vol. 10, Issue 2, pp. 63-83, June. <https://cebr.vse.cz/pdfs/cbr/2021/02/04.pdf>

## Class 3: Economic reforms in China

1. Economic history of China since pre-industrial times (the largest economy in the world until the early 19th century, followed by a more than century of decline, partial colonization, war with Japan and civil war)
2. Economic policies in the Maoist era (copying a Soviet model, the Great Leap Forward, Cultural Revolution) and their socioeconomic results
3. Economic reforms of Deng Xiaoping and his successors (since 1978)
4. Specifics of Chinese market transition (differences between Chinese transition as compared to CEE and FSU)
	1. The low starting level of development, under-industrialization, ample underutilized labour resources in agriculture and rural areas
	2. Low public expenditures on social policy and social services
	3. Autocratic political system (continuation of the political monopoly of the Communist Party of China [CPC])
	4. Reform gradualism determined by political constraints within CPC
	5. Limits of market-friendly autocracy
5. Results of the Chinese transition
6. Contemporary challenges of the Chinese economy
	1. Demographic barrier
	2. Environmental challenges and challenges related to the ‘green’ transition
	3. Social and urbanization challenges
	4. Financial fragility
	5. Increasing controlling role of the CPC under President Xi Jinping

### Recommended literature

* Sachs, J.D., and Woo, W.T. (1997) ‘Understanding China’s Economic Performance.’ *NBER Working Paper*, No. 5935, <http://www.nber.org/papers/w5935.pdf>
* Woo, W.T. (2011) ‘China’s economic growth engine: The likely types of hardware failure, software failure and power supply failure.’ *BOFIT Discussion Papers*, No. 8/2011, <http://www.suomenpankki.fi/bofit_en/tutkimus/tutkimusjulkaisut/dp/Documents/DP0811.pdf>
* Dabrowski M. (2020) ‘Transition to a market economy: A retrospective comparison of China with countries of the former Soviet block.’ *Acta Oeconomica*, Vol. 70, Issue S, pp. 15-45, 16 October, [https://events-files-bpm.hse.ru/files/95001A02-CDFB-425C-97A1-B6BB05E615FC/[15882659%20-%20Acta%20Oeconomica]%20Transition%20to%20a%20market%20economy\_%20A%20retrospective%20comparison%20of%20China%20with%20countries%20of%20the%20former%20Soviet%20block.pdf](https://events-files-bpm.hse.ru/files/95001A02-CDFB-425C-97A1-B6BB05E615FC/%5B15882659%20-%20Acta%20Oeconomica%5D%20Transition%20to%20a%20market%20economy_%20A%20retrospective%20comparison%20of%20China%20with%20countries%20of%20the%20former%20Soviet%20block.pdf)

## Class 4: Economic reforms in other Asian countries

1. Economic reforms in other former centrally planned economies in Asia (Vietnam, Laos, Cambodia, Myanmar, Mongolia)
2. Economic reforms in India
	1. Brief economic history from the pre-industrial era until independence (1947); the role of the British colonial rule
	2. The economic system and economic policies in the first decades of independence (1947-1991)
	3. Macroeconomic crisis in 1991 and the resulting reforms
	4. Economic reforms since 2014
	5. Remaining economic, social and institutional challenges
3. The role of Asian regional integration (ASEAN, CPTPP, RCEP)
4. The increasing US-China geopolitical tensions and their potential impact on the Asian economies

### Recommended literature

* Ahluwalia, M.S. (2002) ‘Economic Reforms in India Since 1991: Has Gradualism Worked?’ <http://planningcommission.nic.in/aboutus/speech/spemsa/msa008.doc>
* Swaminathan S. Anklesaria Aiyar (2016) ‘Twenty‐Five Years of Indian Economic Reform: A Story of Private-Sector Success, Government Failure, and Institutional Weakness.’ *CATO Institute Policy Analysis*, No. 803, 26 October, <https://www.cato.org/publications/policy-analysis/twenty-five-years-indian-economic-reform?queryID=634dbb5fb0d28e3b1cc49a83dd132ef4>

## Class 5: Economic reforms in the Middle East and Africa

1. Colonial legacies in the Middle East and Africa
	1. Consequences of violent colonization and the slave trade
	2. Territorial divisions established by colonial rulers, not reflecting history and ethnic and religious map ⇒ source of internal and external conflicts, failed states
	3. Extractive institutions
	4. Structural monocultures (dependence on the export of a single or a few mineral or agricultural commodities)
	5. Underdevelopment of manufacturing and services
	6. Underdeveloped infrastructure, low health and education standards
2. Post-colonial policies and economic and political systems
	1. Autocratic and repressive political systems
	2. The rivalry of great powers during the Cold War
	3. Nationalization (expropriation of foreign owners) and etatism
	4. Protectionism, import substitution
	5. Macroeconomic imbalances; episodes of high inflations
	6. Aid dependence; several debt write-offs
3. Specific features of the Arab and African ‘socialisms’ and their comparison with the Soviet- and Chinese-type socialism
	1. Similarities in the political sphere
	2. Some differences in the economic sphere (existence of private sector in agriculture, small industry, trade and services, more free prices, partial external openness)
4. Changes in economic and political systems in the 1990s and 2000s
	1. Progress in democratization (in Subsaharran Africa [SSA])
	2. End of some conflicts in SSA ⇒ the peace dividend
	3. Gradual market reforms (price liberalization, current account convertibility, trade liberalization, reducing the role of state monopolies, privatization, opening to FDI, land reforms, financial sector reforms, etc.)
	4. Commodity boom (until 2014 and since 2021)
	5. Lower inflation, higher growth
5. The missed opportunities of the Arab Spring
6. Economic and social challenges in the Middle East and Africa
	1. Ongoing conflicts
	2. Returning autocratic regimes
	3. Poverty and income inequality
	4. Poor health and education standards (except in Gulf countries)
	5. Gender inequality
	6. Poor infrastructure
	7. Poor business climate and governance
	8. Continuous protectionism in several countries
	9. Dependence on commodity prices
	10. Chinese investment penetration
	11. Fiscal imbalances, repeating public debt crises
	12. Large-scale energy subsidies, in particular, in the Middle East and North Africa (MENA)
7. The limited role of regional and sub-regional integration (PAFTA, Agadir Agreement, AfCFTA, ECOWAS, SADC, IGAD, COMESA, FTAs with the EU)

### Recommended literature

* Dabrowski, M., and Dominguez-Jimenez, M. (2021) ‘Economic crisis in the Middle East and North Africa.’ *Bruegel Policy Contribution*, Issue 02/2021, <https://www.bruegel.org/wp-content/uploads/2021/01/PC-02-2021.pdf>
* Collier, P., and Gunning, J.W. (1999) ‘Explaining African Economic Performance.’ *Journal of Economic Literature*, Vol. XXXVII, March, pp. 64-111, <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.199.9687&rep=rep1&type=pdf>
* Ordu, AU (ed.) (2023) *Foresight Africa: Top Priorities for the Continent in 2023*, Africa Growth Initiative at Brookings, <https://www.brookings.edu/wp-content/uploads/2023/01/foresightafrica2023_fullreport.pdf>

## Class 6: Economic reforms in Latin America and summary of emerging-market reforms

1. Socioeconomic, political and intellectual roots of Latin American populism
	1. High income and wealth inequalities
	2. Presence of resource rents
	3. Dependency theory and ‘heterodox’ economics
2. Episodes of populist policies in Latin America in the 1970s and 1980s
3. Negative consequences of populist policies in socioeconomic and political spheres
	1. High inflation and hyperinflation
	2. Balance-of-payments, public debt and banking crises
	3. Economic stagnation/ recession
	4. The pauperization of societies (the poor were most heavily affected)
	5. Undermining fragile democracies ⇒ military and civilian dictatorships
4. Economic and political reforms in the 1980s and 1990s
	1. Macroeconomic stabilization
	2. Domestic and external liberalization
	3. Privatization (including infrastructure)
	4. Pension reforms
	5. Land reforms
	6. Democratization in the political sphere
5. The contemporary and future economic and social challenges in Latin America
	1. Slow growth
	2. Commodity dependence
	3. Remaining autocratic regimes (Cuba, Venezuela, Nicaragua) and imperfect democracies in many others
	4. Continuation of macroeconomic instability (Argentina)
	5. Poverty and income inequality
	6. Unsatisfactory health and education standards
	7. Poor business climate and governance
	8. Dependence on commodity prices
6. The role of regional integration projects (MERCOSUR, CARIFORUM, Andean Community, USMCTA, FTAs with the US and EU)
7. Emerging-market economies before reforms
	1. Extensive price controls and subsidies
	2. Multiple exchange rates
	3. Trade protectionism
	4. Import-substitution industrialization
	5. Large public sector
	6. Restrictions on FDI
	7. In some cases, excessive militarization
8. Outcomes of bad policies
	1. Slow growth/ recessions
	2. High inflation/ hyperinflation
	3. Sometimes physical shortages of goods
	4. Low external competitiveness
	5. Structural distortions
	6. Over employment in a public sector/ public enterprises
9. Major economic reforms (the so-called Washington consensus)
	1. Macroeconomic stabilization
	2. Price liberalization
	3. Currency convertibility
	4. Trade liberalization
	5. Privatization
	6. Opening to FDI
	7. Financial sector reform
	8. Targeted social assistance
10. Political transition
	1. The transition from authoritarian regimes and unstable democracies to more stable democracies
	2. Reforms of public administration and judiciary
11. Outcomes of reforms
	1. Higher growth
	2. Poverty reduction
	3. Lower inflation
	4. FDI inflow
	5. Structural diversification, including market-driven industrialization
	6. Higher competitiveness
12. Remaining vulnerabilities
	1. Commodity dependence
	2. High dollarization (‘original sin’)
	3. Poor business climate, corruption, nepotism, state capture, organized crime, insecure property rights, etc
	4. Remaining restrictions on foreign capital
	5. Incomplete political transition
	6. Recurrence of populism/ authoritarian drift

### Recommended literature

* Dornbusch, R., and Edwards, S. (1991) ‘Macroeconomic Populism in Latin America.’ *NBER Working Paper*, No. 2986, <http://www.nber.org/papers/w2986.pdf>
* Williamson, J. (2004) ‘A Short History of the Washington Consensus.’ <http://www.iie.com/publications/papers/williamson0904-2.pdf>

# Part 2 of the course: experience of post-communist transition

Instructor: Ivan Mikloš

The second part of the course will provide an in-depth understanding of the centrally planned economies in communist countries, how they worked, what were common features and differences among them, what kind of reform attempts were done and finally why and how they collapsed. Later the course will discuss and search process of the post-communist transition, different approaches used in this process as well as different results.

This part of the course will mainly be focused on political economy of reforms. We will discuss also technical content of reforms, but even more effort and time we will spend on explaining political dimension of reforms in conditions of liberal parliamentary democracy. Today in any country of the world, not only in the post-communist countries, economic reforms are much more political than technical challenge, therefore experience from successful reformers, as well as laggards, could be interesting and useful not only from the historical perspective but as well as for the future.

## Class 7: Centrally planned economy (CPE), politics and political economy

## 7a. How it worked and why it was unrepairable

* Kornai, János, 1992: The Socialist System: The Political Economy of Communism. Oxford, Clarendon Press (Chapter 15, 22 pgs.)
* Hayek, Friedrich August von, 1944: The Road to Serfdom. George Routledge and Sons, Ltd. (Condensed version, Pages No. 39-70)
* Kornai, János, 1980: Economics of Shortage. Amsterdam, North Holland Publishing

## 7b. Common features and differences of the system in individual countries

* Kornai, János, 1992: The Socialist System: The Political Economy of Communism. Oxford, Clarendon Press (Chapter 21, 39 pgs.)
* Harrison, Mark, 2017: The Soviet Economy, 1917 – 1991: Its Life and Afterlife. The Independent Review 22, 199 – 206
* Kornai, János, 1996: Paying the Bill for Goulash Communism. Social Research, Vol. 63, no. 4, 943 – 1040

## Class 8: Collapse of the communist system and central planned economy

## 8a. How and why it collapsed

* Aslund, Anders, 1989: Gorbachev’s Struggle for Economic Reform. Ithaca, NY: Cornell University Press (Introduction, Conclusions)
* Aslund, Anders, 1990: How Small is the Soviet National Income? In The Impoverish Superpower: Perestroika and the Soviet Military Burden, ed. Henry S. Rowen and Charles Wolf Jr., 13-61, 288 – 305, San Francisco, Institute for Contemporary Studies

## 8b. Approaches to transformation, big bang vs. gradualism

* Treisman, Daniel, 2014: Political Economy of the Change after Failure of Communism. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics (Chapter 14, 30 pgs.)
* Murphy, Kevin – Shleifer, Andrei – Vishny, Robert, 1992: The Transition to a Market Economy: Pitfalls of Partial Reforms. In Quarterly Journal of Economics 107, no. 3, 889 – 906
* Balcerowicz, Leszek, 1994: Understanding Post-Communist Transitions. In Journal of Democracy 5, no. 4, 75 – 89
* Murell, Peter, 1992: Evolutionary and Radical Approaches to Economic Reform. In Economics of Planning 25, 75 – 95

## Class 9: Early reformers

## 9a. Poland and Czechoslovakia

* Balcerowicz, Leszek, 2014: Poland: Stabilization and Reforms in Time of Extraordinary and Ordinary Politics. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics (Chapter 1, 28 pgs.)
* Klaus, Václav, 2014: Czechoslovakia and Czech Republic: The Spirit of Post-Communist Transition and it’s Main Features. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics (Chapter 3, 23 pgs.)
* Balcerowicz, Leszek, 1995: Socialism, Capitalism, Transformation, Budapest, Central Europe University Press
* Klaus, Václav, 2013: The Post-Communist Transition Should Not Be Misinterpreted. In Economic Affairs 33, no. 3, 386 – 388
* Švejnar, Jan, 1997: Czech Republic and Economic Transition in Central and Eastern Europe. Praha, Academia

## 9b. Hungary and Baltics

* Bokros, Lajos, 2014: Hungary: Step Back After Promising Start of Reforms. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics (Chapter 2, 16 pgs.)
* Laar, Mart, 2014: Estonia: The Most Radical Reforms. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics (Chapter 4, 18 pgs.)
* Bokros, Lajos, 2004: Competition and Solidarity. In Comparative Economic Studies 46, no. 2, 193 – 200
* Kornai, János, 2008: From Socialism to Capitalism, Budapest, CEU Press
* Lieven, Antol, 1993: The Baltic Revolution: Estonia, Latvia, Lithuania, and the Path to Independence. New Haven, CT, Yale University Press

## Class 10: Slovakia, up and down and again the same

## 10a. Mečiar’s era and its consequences

* Mikloš, Ivan, 2008: Slovakia: A Story of Reforms. In ed. Bienkowski, W. – Brada, J.C. – Radlo, M.J.: Growth Versus Security, London, Palgrave McMillan (Chapter 3, 34 pgs.)
* Mikloš, Ivan, 1999: Privatization in Slovakia, Institute for Public Affairs (IVO)
* Zakaria, Fareed, 1997: The Rise of Illiberal Democracy. In Foreign Affairs, 76, no. 6

## 10b. Dzurinda’s era, reforms and integration

* Mikloš, Ivan, 2014: Slovakia: Latecomer Who Succeed. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics (Chapter 6, 28 pgs.)
* Munkhammar, John, 2007: The Guide to Reform, Stockholm, TImbro
* World Bank, 2005: Doing Business 2005: Removing Obstacles to Growth. World Bank, Washington DC

## Class 11: Stagnant examples

## 11a. Russia

* Aslund, Anders, 2019: Russia’s Crony Capitalism. The Path from Market Economy to Kleptocracy. Yale University Press, New Haven & London (Introduction, Chapter 5, Conclusions, 58 pgs.)
* Dabrowski, Marek (ed.), 2023: The Contemporary Russian Economy. A Comprehensive Analysis. Springer Nature, (Introduction, pgs 61 – 67, 99 – 113, 271 – 288)
* Aslund, Anders, 2014: Russia: Difficult Way to Market Economy. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics
* Gajdar, Jegor, 1999: Days of Defeat and Victory. Seattle, University of Washington Press
* Boycko, Maxim – Shleifer, Andrei – Sishny, Robert, 1995: Privatizing Russia. Cambridge MA, MIT Press

## 11b. Ukraine

* Havrylyshyn, Oleh, 2014: Ukraine: The Best Hope, the Biggest Disappointment. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics (Chapter 9, 26 pgs.)
* Mikloš, Ivan, 2019: Ukrainian Reforms After Revolution of Dignity. What Was Done, Why Not More and What to Do Next. Kiev, EBRD Press (under preparation for printing), (Chapter 1, 24 pgs.)
* Aslund, Anders, 2009: How Ukraine Became a Market Economy. Washington, Peterson Institute for International Economics
* Umrychyna, Emilia, 2013: Why Was Rukh Not More Effective in Pushing Economic Reforms? Toronto University

## Class 12: What mattered the most?

## 12a. The role of EU integration in post-communist transition

* Gros, Daniel, 2014: From Transition to Integration. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics (Chapter 12, 23 pgs.)
* Francois, Joseph – Worz, Julia, 2011: Shifts in International Trade and Value Added from 1995 to 2007: Insights into the Drivers of Growth. In Focus on European Economic Integration 3, 37 – 56

## 12b. Historic, cultural, and geographical preconditions for successful reforms

* Roland, Gérard, 2014: Post-Communist Transition from the Historical View. In The Great Rebirth: Lessons of the Victory of Capitalism over Communism, ed. Anders Aslund and Simeon Djankov, Washington, Peterson Institute for International Economics (Chapter 13, 25 pgs.)
* Mikloš, Ivan, 2021: Three Models of Post-Communist Transformation and Lessons Learned. In Central European Business Review, vol.10, issue 2. Prague University of Economics and Business
* Hellman, Joel – Jones, Geraint – Kaufmann, Daniel, 2000: Seize the State, Seize the Day: State Capture, Corruption and Influence in Transition. In World Bank Policy Research Working Paper 2444. Washington, World Bank
* Acemoglu, Daron – Robinson, James, 2012: Why Nations Fail? New York, Crown Business
* Gorodničenko, Jurij – Roland, Gérard, 2013: Culture, Institutions and Democratization. University of California, Berkeley, Department of Economics