

Syllabus

Comparative Economic Systems (6 ECTS)

Lecturer:

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Meeting Minute # ___dated _____ 20__

1. Course Description

a) Pre-requisites

Contemporary economic theory, comparative economics, institutional economics.

b) Abstract

This course aims to make graduate students familiar with the major concepts, theories, and debates in comparative economic systems.

The course is aimed to maintain the students' representations of the complexity of the economy of global market. Comparative economic systems are often viewed as a divergence of traditional economics types: free and planned economies with a new type of mixed systems.

This course focused on the comparison of three main types of economics systems: Anglo-Saxon, Continental and Asian.

The course covers many issues to compare legal systems, corporate governance, financial market, energetic systems, human capital, inequality, social policies, etc. Additional attention was paid to informal institutions (corruption and organized crime), which could be "normal" institutions in economic sense.

Course format combines lectures, seminars and in – class presentation. During the course, students also will write an essay.

2. Learning Objectives

To develop deep understanding of the major concepts, theories, and debates in comparative economic systems.

3. Learning Outcomes

On successful completion of the course students will be able to:

- Understand the complexity of the economy of global market.
- Be familiarized with the differences in legal systems, corporate governance, financial market, energetic systems, human capital, inequality, social policies of Anglo-Saxon, Continental and Asian systems;
- Discuss the likely trends of each of economic systems;

4. Course Plan

Part 1. 1d module. Three types of economic systems: history, formal institutions and practices

Part 2. 2th module. Three types of economic systems: informal economic institutions (corruption and organized crime)

№	Date	Topic	Lecture/Se- minar Hours	Self- study hours
1	September 4	Introduction: Institutes & Economic theory and History	4	7
2	September 11	History of economic development. Growth and Inequality. Modern Debates. Initial classifications and regimes	4	7
3	September 18	Great Divergence: Discussion	4	7
4	September 25	Social structure and policy: "social lifts" and mobility.	4	7
5	October 2	Differences between the Anglo-Saxon, the Continental and the Asian Legal systems. Law and its economic implications	4	7
7	October 9	Market-based corporate governance and corporate control: differences, mixes and compositions	4	7
8	October 16	Three types of systems: The Anglo-Saxon system as a basic liberal model of capitalism. The Continental (European) system with social welfare priority. The Asian system and its evolution after the Asian crisis	4	7
9	October 30	Three systems: financial markets, energy markets and different business-strategies	4	7
10	November 13	Russian hybrid system as a result of 1990s	4	7
11	November 20	Convergence and divergence of economic systems: the competition in attraction of developing countries, BRICS, different systems-based approaches and policies adopting global challenges	4	7

12	November 27	Corruption – definition and classification. Different forms, fields and industries. Main models and approaches. Corruption as a “normal institution”? Corruption Anglo -Saxon, Continental, Asian regimes.	4	7
15	December 4	Corruption and Growth. Consumption and Investments (Savings) in the economy. If Corruption changes economic theorems and to what extent?	4	7
17	December 11	Mafia – complexity of definition, key principles, economic analysis. Social conditions for developing corruption, organized crime (mafia). State failure and entrenching. Organized Crime under three Regimes.	4	7
18	December 18	Anti-corruption measures. Resistance to Corruption and Organized Crime, Legislation, Public Opinion, FATF Transnational organized crime	4	7
21	December 24	Final session: main results and implications of the course	4	7
	Subtotal		44	147
	Total hours		195	
	Total credits		6	

5. Reading List

a) Required

1. Acemoglu, D., Johnson, S., and Robinson, J. (2005) Institutions as the Fundamental Cause of Long-Run Growth, P. Aghion, S.N. Durlauf (eds), Handbook of Economic Growth , Vol. 1A, New York, Elsevier, 385–472.
2. Acemoglu, Daron and Simon Johnson, James A. Robinson. “Reversal Of Fortune: Geography And Institutions in The Making Of The Modern World Income Distribution.” The Quarterly Journal of Economics 117 (4) 1231 -- 1294
3. Acemoglu, Daron, Simon Johnson and James Robinson. 2001. "The Colonial Origins of Comparative Development: An Empirical Investigation" American Economic Review, vol. 91 (5) 1369-1401
4. Alberto Alesina and Roberto Perotti. 1996. "Income Distribution, Political Instability, and Investment.” European Economic Review.
5. Amundsen I. Political Corruption: An Introduction to the Issues // Chr. Michelsen Institute Development Studies and Human Rights. WP 1999:7.
6. Barro, R.J. Inequality, growth and investment. NBER Working paper № 7038, 1999.
7. Capture, Corruption and Influence in Transition Economies // World Bank Policy Research Working Paper 2444. September 2000.

8. Chapter 5. The World Economy In The Twentieth Century: Striking Developments And Policy Lessons//IMF, 2000.
9. DeLong, J. Bradford and Andrei Shleifer (1993) "Princes and Merchants: European City Growth Before the Industrial Revolution", *Journal of Law and Economics*, vol.36, no.2, pp.671-702.
10. Diego Gambetta. "The Sicilian mafia: the business of private protection". Harvard Un. Press, Cambridge, Mass.; London England, 1993.
11. Grigoriev L., Parshina E. *Economic Dynamics Of The Countries Of The World In The Years 1992-2010: Inhomogeneity Of Growth*. 2013.
12. Grigoriev L., Salmina A. *Inequality in Russia during transformation: to Europe or Latin America?*//Sao Paolo, 2011
13. Grigoryev L. *Conflicts of Interests and Coalitions*// Russia in Global Affaires-1-2008
14. Grigoryev L. *Elites And The Middle Class* Published in #13 SPERO – 2010.
15. Grigoryev L. *Interests and Coalitions*// Russia in Global Affaires-1-2008
16. Grigoryev L. *Russia, Gazprom and the CAC: Interests and Relations*
17. Grigoryev L. *Soviets need a unified Free Economy*//"New York Times", Sept. 12, 1991.
18. Grigoryev L. *Ulterior Property Rights And Privatization*//Stockholm Institute Of Soviet And East European Economics, Working Paper, No. 32, 1991.
19. Grigoryev L., Kurdin A. *Mechanisms of Global Governance: Economic Analysis*, 2013. Grigoryev Leonid. *Russia in the System of Global Economic Relations // Strategic Analysis*. Vol. 46. 2016. № 6. Special Issue: Russia in Global Affairs. P. 498-512/
20. Hellman J., Jones J., Kaufmann D. *Seize the State, Seize the Day: State*
21. Hellman J., Kaufmann D. *Confronting the Challenge of State Capture in Transition Countries*// Finance and Development. 2001. September
22. Keech W. *Economic Politics: The Costs of Democracy*, Cambridge University. 1995.
23. Koot, Gerard M. *The Great Divergence: Explaining why Asian economic growth lagged behind European growth, 1500-1870*. 2013.
24. Krugman, Paul. "The Myth of Asia's Miracle." *Foreign Affairs* 73, (Nov/Dec 1994): 62-78. La Porta R., Lopez-de-Silanes F., Shleifer A., and Vishny R. W. "Law and Finance." *Journal of Political Economy*, 106, 6 (December 1998): 1113-1155.
25. Moore, Barrington, Jr. *Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World*. Cambridge: Beacon Press, 1966.
26. North, Douglas C. and Barry R. Weingast. 1989. "Constitutions and Commitment: The Evolution of Institutional Governing Public Choice in Seventeenth-Century England" *Journal of Economic History*, 49, 803 – 832
27. North, Douglass (1991) "Institutions", *Journal of Economic Perspectives*, vol.5, pp.97-112
28. Oded Galor & Omer Moav & Dietrich Vollrath, 2009. "Inequality in Landownership, the Emergence of Human-Capital Promoting Institutions, and the Great Divergence," *Review of Economic Studies*, Oxford University Press, vol. 76(1), pages 143-179.
29. Olson M. "Power and Prosperity", Basic Books, 2000.
30. Olson M. (1993) "Dictatorship, Democracy, and Development", *American Political Science Review*, vol.87, no.3, pp.567-576.
31. Pejovich S. *The Markets for Institutions Versus the Strong Hand of the State: The Case of Eastern Europe // Economic Institutions, Markets and Competition / B. Dallago, L. Mittone (eds.)*. Cheltenham: Edward Elgar, 1996.
32. Pomeranz, Kenneth. *The Great Divergence China, Europe, And The Making Of The Modern World Economy*. Princeton University Press Princeton And Oxford.
33. Przeworski, Adam, and Fernando Limongi. "Political Regimes and Economic Growth." *Journal of Economic Perspectives* 7 (Summer 1993): 51-69.

34. Sanjeev G., Davoodi H., Alonso-Terme R. Does Corruption Affect Income Inequality and Poverty? // IMF Working Paper 76. 1998.
35. Shleifer, A., Vishny, R. W. Corruption// Quarterly Journal of Economics. 1993. Vol.108, No. 3. P. 599-617.
36. Tanzi V. Corruption around the World: Causes, Consequences, Scope, and Cures // IMF Working Paper WP 98/63. 1998.
37. The Economics of Organised Crime//Editors: G.Fiorentini and S.Petzman. Cambridge Un. Press, The Great Britain, 1995.

b) Optional

1. Григорьев Л., Курдин А. Нерешенный вопрос легитимности частной собственности в России// Вопросы экономики. 2016. № 1. С. 36—62.
2. Григорьев Л., Овчинников М. Коррупция как препятствие модернизации. «Вопросы экономики» №2, 2008.
3. Левин М., Сатаров Г. Коррупция в России: классификация и динамика// Вопросы экономики, 2012. № 10. С. 4—29.
4. Д.Норт, Дж.Уоллис, Б.Вайнгаст «Насилие и социальные порядки». М., Изд. Ин. Гайдара, 2011.
5. Роуз-Аккерман С. Коррупция и государство: Причины, следствия, реформы/ М.: Логос, 2003. - 343 с.

6. Grading System

The final grade will consist of:

- essay and class presentation: 40%
- presence and participation in discussions: 30%
- final exam: 30 %

7. Examination Type

Essay. The paper should be about pages 5-7 pages (6-8 thousand signs) with 3-part structure (intro, main body, and conclusion), references and list of literature.

An essay identifies a theoretical or empirical puzzle worth exploring, reviews and critiques existing literature, provided with personal reflection and analysis. We offer a list of recommended topics. Other topics approves individually.

Deadline: the 10 of November 2019.

List of essay topics

1. The Great Divergence: Asian economics & institutes in XV-XVII centuries
2. The Great Divergence: European economics & institutes in XV-XVII centuries
3. Islamic law and logic on finance and business
4. Common and Civil law – why divergence – people or life?
5. Anglo-Saxon law: role of flexibility and competition
6. Continental law: is codification good?
7. Law from Europe unto developing world – which of two legal systems better?
8. Russian Law after 1990 – Continental or hybrid? What would be better?
9. Corporate governance in Anglo-Saxon and Continental systems.
10. Corporate governance in developing world – what is different?
11. Asian specific of corporate governance – formal/informal
12. Russian corporate governance – traces of what regime/regimes?

13. Property rights and protection – importance under different regimes (Anglo-Saxon, Continental, Asian)
14. Social inequality under different regimes (Anglo-Saxon, Continental, Asian)
15. Migrants – to rich or to generous countries?
16. The Origins of corruption?
17. The Origins of Organized Crime (Europe)
18. Classifications of corruption – essence and logic of differences?
19. Asian organized crime – origin and distinguishing features.
20. Mafia and Organized Crime – definitions and differences
21. Organized crime and corruption – influence on growth (macro).
22. Fighting against corruption: methods and chances
23. Fighting organized crime (mafia): success stories (national)
24. Civil society against corruption: how it works in different types of regimes.
25. Antitrust and other state authorities – the role in fighting with corruption.
26. Corruption in different countries (you can choose one or group of countries, for example, India, Brazil, China, South Africa, etc.)
27. Mafia and democracy – coexistence?
28. “Panama files”: evidence of corruption or journalist’s investigation.

Presentation. The presentation should be about 10-15 minutes, performs as a report during the weekly session with a Power Point format. It should cover the main aspects of the essay topics, but could be without personal analysis and implications.

Deadline: All presentation should be finished before final session.

In all, the paper and presentation are worth **40% of the final grade.**

Class activities. Students are expected to study recommended literature before sessions and to participate in discussions with the lecturer and other students. **20% of the final grade.**

Final Exam. An exam based on all material of the semester. **30% of the final grade.**

8. Methods of Instruction

Face-to-face instructions blended with on-line learning tools

9. Special Equipment and Software Support (if required)

General audio and video equipment adequate for slides presentation and film viewing