# ONLINE Summer School in Collective Decision-Making 2021

Universität Hamburg June 7 – 18

Faculty of Business, Economics and Social Sciences Faculty of Humanities





Dr. TOKE AIDT, UNIVERSITY OF CAMBRIDGE

### FROM AUTOCRACY TO DEMOCRACY AND BACK

The aim of this lecture course is to provide a rigorous framework to study the origins of the institutions that govern public decision making and the consequences that different institutional choices have for socioeconomic outcomes. When we analyse public policy — taxation, public spending, regulation etc., — we tend to take the institutions as a given, sometimes assuming some form of liberal democracy and at other times focusing on autocratic institutions. This begs the question: where do the institutions that protect property rights and allocate political entitlements to participate in public policy making come from?

To answer this question from a Public Choice perspective, the focus of the lectures will be on the incentives that political actors have to build, reform or overthrow institutions and the constraints they face in doing so. This, in turn, depends on the consequences in terms of public policy and socio-economic outcomes, such as inequality and income levels, that different institutional arrangements induce.

### The course will cover five areas:

- 1. The "big picture" theories of institutions and development. How did human societies managed to transit from "a primitive social order" with high levels of violence to systems that instilled a measure of social order? This focusses on the basic institutions related to property and collective decision making and draws on work by North, Olson and Acemoglu & Robinson to provide answers.
- 2. Democracy and its consequences. This engages with how decisions are made under democracy and with the consequences in terms of public policy and socio-economic outcomes that flow from that. The focus will be on the theory of the median voter, suffrage reform, and redistribution.
- 3. Democracy and its causes. This engages with the democratization puzzle: why would an autocratic elite ever want to share power with broader segments of the society? The focus will be on leading theories of democratization and on the long-standing debate amongst political scientists and economists about the link between democracy, inequality, and economic development.

- 4. Autocracy. This engages with decision making under autocracy. The focus will be on Wintrobe's classical theory of dictatorship and the so-called selectorate theory proposed by political scientists.
- 5. Political Transitions. How do political transitions from autocracy to democracy and back again actually happen? This engages with revolutions and coups as two ways in which non-peaceful political transition happens. The focus will be on Tullock and Kuran's theories of revolution and coups and on new research on foreign influence on democracy and democratic backsliding.

Each area will use basic economic theory (optimization and game theory) to develop the theoretical basis for the answers and draw on empirical tests (linear and nonlinear regression techniques) to critically evaluate the explanatory power of the theoretical answers. In short, the course will draw on a mixture of classical and frontier research sampled from the theoretical and the empirical literature.

Toke Aidt is a University Reader in Economics, at the Faculty of Economics, University of Cambridge. He conducted his Ph.D. at Aarhus University. He is the editor of the European Journal of Political Economy, on the editorial board of Public Choice and Constitutional Political Economy. He was awarded the Wicksell Prize in 1999 by the European Public Choice Society and the Pilkington Prize in 2007 for excellence in teaching by the University of Cambridge. He was president of the European Public Choice Society. He is a current member of the Syndicate of the Cambridge University Press and director of Studies in Economics at Jesus College. His research focuses on four main themes: The causes and consequences of democratization, development and corruption, political business cycles, and the political economy of environmental policy. His work has been published in Econometrica, Economic Journal, American Economic Journal: Policy, European Economic Review, Journal of Public Economics, Journal of Conflict Resolution, Journal of Development Economics, Public Choice, European Journal of Political Economy, and others.

### JUNE 14 - 18

PROF. STEFANIA BORTOLOTTI, UNIVERSITY OF BOLOGNA

## HOW TO RUN EXPERIMENTS

The course provides a comprehensive overview of the experimental methodology and its applications. At the end of the course, students should master the basic tools which are necessary to understand the existing experimental literature, and to assess the strengths and weaknesses of an experimental paper. A number of applications will be discussed during the course and participants will familiarize with both lab and field experiments.

The course targets students that are interested in the experimental literature, either because they plan to run experiments as a part of their research, or because they would like to be able to read with a critical view the experimental literature available in their area of specialization.

Participation in the course does not require any prior knowledge of the field, but a basic background in statistics and econometrics would help.

Stefania Bortolotti is a Senior Assistant Professor at the Department of Economics, University of Bologna. She obtained a Ph.D. in Economics and Management from the University of Trento. She was a research fellow at the University of Bologna, the University of Cologne, and the Max Planck Institute in Bonn. She is interested in behavioral and experimental economics, and investigates topics such as cooperation, inequality, gender gap, and incentive systems. Her work has been published in international journals such as Economic Journal, European Economic Review, Journal of Money Credit & Banking, and others.

# **Applications**

The Summer School provides a seminar atmosphere with groups not larger than 25 participants. Therefore, the number of places for each course is limited. The courses are free of charge and open to doctoral researchers only. Doctoral researchers can apply for the whole Summer School as well as for only one course in the program. To apply, please send your course preferences including a short description on how this relates to your research and a CV to Betül Simsek, <a href="mailto:betuel.simsek@ile-hamburg.de">betuel.simsek@ile-hamburg.de</a> by May 10th. Acceptance will be communicated by May 14th.

# **Online Participation**

The courses will be streamed online via the platform zoom. Participants will receive the zoom invitation close to the start of each course. Reading materials will be made accessible free of charge online.

# **Contact**

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PHOTO: UHH/ Dechant. Beate Pietrek LAYOUT: Beate Pietrek

# **Graduate School - "Collective Decision-Making"**

The graduate program "Collective Decision-Making" is offered by the Faculty of Business, Economics and Social Sciences and the Faculty of Humanities and it is funded by the DFG. The interdisciplinary program brings together researchers from economics, philosophy and political science to investigate new questions relating to election procedures, complex deliberative and multilevel decision-making procedures, and the formation of institutions. The research program seeks to advance the knowledge of collective decision-making by going beyond the traditional methodological frameworks of one discipline.

For more information, please visit www.uni-hamburg.de/cdm





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