



PhD Program between the Freie Universität Berlin (FUB) and the China Scholarship Council (CSC)

Open PhD position at FUB for CSC scholarship candidates 2018

Please note: the PhD position is only offered to Chinese PhD candidates for application in the framework of the FUB-CSC PhD Program.

<u>Department/Institute:</u>	School of Business & Economics / Institute for East European Studies
<u>Subject area:</u>	Economics
<u>Name of Supervisor:</u>	Theocharis Grigoriadis, Ph.D., Assistant Professor of Economics & East European Studies
<u>Number of open PhD positions:</u>	1
<u>Type of the PhD Study:</u>	Full-time
<u>Project title:</u>	Ancestry, Political Economy & Comparative Development

PhD Project description:

What I propose is to produce research on the formal and informal effects of culture and institutions on political outcomes such as conflict, redistribution, public goods provision, and democratization. Greif (1994) illustrates the role of culture and argues that individualist societies are more favorable for entrepreneurship and innovation. Tabellini (2010) models coevolution of culture and institutions, which reinforce each other and facilitate novel modes of governance.

Guiso et al. (2008) empirically test the hypothesis by Putnam et al. (1994) on Italian city states. They find that cities that became independent during the 1000 – 1300AD period persistently show a higher level of social capital. According to Putnam et al. (1994), society can be organized either primarily horizontally or vertically, which also mirrors different religious traditions. While the former links individuals with equal power and status to each other, vertical networks are based on asymmetric dependencies. Hence, vertically, or hierarchically, organized religions, such as Catholicism, Russian Orthodoxy, Islam, are less able to generate social capital compared to horizontal Protestantism. La Porta et al. (1997) show that societies with hierarchical religions expose less trust and social capital and are marked by lower institutional quality. In in-house research, the link between religion and political regimes is discussed by Grigoriadis (2016). He shows that collectivist religions are more favorable for authoritarian and semi-authoritarian regimes. Grigoriadis (2013) analyzes Orthodoxy as an administrative culture. The ideal-type of the Orthodox administrative state is defined by disciplinary enforcement and self-investment of its leadership in the provision of public goods.

Ethnic and cultural diversity as drivers of political regimes have been introduced by Alesina et al. (2003) and Fearon (2003). Alesina and La Ferrara (2005) observe that social conflict, coordination failures and lack of trust are generally negative consequences of fragmented societies. The difference between micro- and macro-levels of socio-political organization is also significant in this respect. Desmet et al. (2012) also explore the key relationship between ethnolinguistic diversity and political economy outcomes such as the onset of civil war, redistributive policies and public goods provision. Their path-breaking contribution lies in the differential effect of diversity at different levels of linguistic aggregation (from 1 to 15). Deeper cleavages, where the aggregation levels for polarization and fractionalization are the highest, have a higher propensity toward civil war and redistribution (ibid.). However, finer linguistic differences start to matter when it comes to public goods provision. Hence, in this case, diversity has a negative effect on the delivery of basic government services.

In the context of this proposal, we intend to concentrate on Chinese, Japanese and Russian path dependencies and the persistent effects of institutional legacies of the pre-WWI empires on economic, political and social development. Literature is traditionally associated with Acemoglu et al. (2001) and Sokoloff & Engerman (2000), who investigate how colonial rule affects contemporary development. Schulze & Wolf (2012) find that the political borders that separated the Habsburg Empire's successor

states after the WWI become visible in the economy from the mid-1880s onwards. They explain this 'border before a border' by ethno-linguistic heterogeneity, role of physical geography, changes in infrastructure or patterns of integration with neighboring regions outside of the Habsburg Empire. Wolf et al. (2011) reject the widespread opinion that new political borders in Europe after WWI had a disintegrating economic effect, by comparing levels of economic integration in Europe before and after the new borders were imposed. Using the difference-in-difference estimator, they find a very limited effect of the borders on trade, with new borders mostly drawn along existing lines of economic fragmentation. Nitsch and Wolf (2013) use the natural experiment of the German reunification in 1990 and show that political integration is not immediately followed by economic integration, and border effects rather arise from economic fundamentals.

Kuran & Lustig (2012) show that Islamic courts of the Ottoman Empire exhibited biases that would have limited the expansion of trade in the eastern Mediterranean, particularly that between Muslims and non-Muslims, which explains, why economic modernization in the Middle East involved the establishment of secular courts. Kuran (2014) analyzes the Islamic waqf, which he describes as the closest analogue to an autonomous private organization in the pre-modern Middle East. He argues that waqf was a major reason why democratization in the Middle East is proving to be a drawn-out process. Grosfeld & Zhuravskaya (2015), using spatial regression discontinuity analysis, estimate discontinuous jumps in several social, economic and political characteristics at the triple internal border of the three pre-WWI Empires in contemporary Poland. The legacy of former empires is partly due to formal institutions being persistent over time and long-run historical events shaping social norms, which are transmitted to subsequent generations.

Language requirements:

IELTS 6.5 or TOEFL 95 ibt.

Academic requirements:

- Master of Science in Economics with excellent or very good grades
- Knowledge of Russian or Korean or Vietnamese is a plus (no proficiency required)
- Three letters of recommendation from academic supervisors/professors

Information of the professor or research group leader:

<http://works.bepress.com/thgrigoriadis>

<http://www.oei.fu-berlin.de/wirtschaft/Team/index.html>

Please note: In a first step, the complete application must be submitted to the Beijing Office for evaluation by January 4th, 2018. Please do not contact the professor before. He/She will get in contact with you after having received the complete application via the Beijing Office in January.