

Author's Accepted Manuscript

The Political Economy of the Impossible Trinity

Joscha Beckmann, Esther Ademmer, Ansgar Belke,
Rainer Schweickert



European Journal of
POLITICAL ECONOMY

CONTENTS

C. Costantini, V. Ligi and A.A. Papadimitrou. Political budget cycles and infrastructure projects in Greece's municipalities	1
J. Hanousek and A. Rychanová. Entry environments and firm performance: Evidence from CEE countries	14
J. Aggarwal, V. Iversen and the role of government	23
A.S. Iqbal. More for everyone: The effect of local interests on spending on infrastructure	41
V. Gopinath, M. Gupta, M. Klenow and S. Klenow. Key drivers of EU budget allocations: Does power matter?	57
C. Gopinath, J.F. Thomas and A. Parent. Corruption and growth in India	71
S. Balle, A. Botasso, M. Conti and C. Picardi. To bid or not to bid: That is the question: Public procurement, project complexity and corruption	83
R.P. Colner and E.J. Muller. Measuring political information rents: Evidence from the European agricultural reform	107
A. Gassen and E. Tommaso. A dirty deal: asset debt cheap: Reporting the Market of a national reform on local politicians	127
P. Jager and S. Schuler. The political economy of public investment: When population is aging: A panel cointegration analysis	145
M. Iversen and A. Cusack. Spain's history, historical legitimacy and modern ethnic diversity	159

www.elsevier.com

PII: S0176-2680(16)30251-8
DOI: <http://dx.doi.org/10.1016/j.ejpoleco.2016.10.010>
Reference: POLECO1607

To appear in: *European Journal of Political Economy*

Received date: 3 November 2015
Revised date: 16 October 2016
Accepted date: 19 October 2016

Cite this article as: Joscha Beckmann, Esther Ademmer, Ansgar Belke and Rainer Schweickert, The Political Economy of the Impossible Trinity, *European Journal of Political Economy*, <http://dx.doi.org/10.1016/j.ejpoleco.2016.10.010>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting galley proof before it is published in its final citable form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain

The Political Economy of the Impossible Trinity[☆]

Joscha Beckmann^{b*}, Esther Ademmer^a, Ansgar Belke^c, Rainer Schweickert^a

^aKiel Institute for the World Economy.

^bUniversity of Bochum and Kiel Institute for the World Economy.

^cUniversity of Duisburg-Essen and Kiel Institute for the World Economy.

*corresponding author:

Abstract

This paper reconsiders the policy trilemma in an open economy by incorporating political economy concerns. We argue that the impact of government ideology on monetary independence, exchange rate stability, and capital flow restrictions should be analyzed in the broader context of restrictions imposed by the impossible trinity instead of the usual single-dimensional constraints. Employing a de facto measurement of these restrictions for a sample of 111 countries from 1980 to 2010, we show that the impact of government ideology on a country's position in this trilemma is highly context dependent: We find that the impact of partisan preferences on exchange rate stability and monetary independence varies between developed and developing countries. We also show that the impact of government ideology on these two trilemma components is contingent on the stance of the respective economy's business cycle. Left-leaning governments seem to favor exchange rate stability over monetary independence in case of a negative output gap; suggesting a reversal of their commonly assumed partisan preferences in economically tight times.

JEL Classifications:

F6, H8

[☆] We would like to thank Gerald Fugger and Jennifer Rogmann their valuable research assistance.

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات