



Nanyang Technological University
DIVISION OF ECONOMICS
Seminar Series

The Division of Economics invites you to a seminar by Professor
Iftekhar Hasan

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- Speaker** : **Iftekhar Hasan**
Professor, E. Gerald Corrigan Chair in International Business and Finance at Fordham University
- Topic** : **"Democracy and Innovation"**
- Chairperson** : **Associate Professor Eko Riyanto**
*Division of Economics
School of Humanities & Social Sciences*
- Date** : **Monday, 11 January 2016**
- Time** : **10.30am to 11.30am**
- Venue** : **Meeting Room 5 (HSS-04-89)**
*Nanyang Technological University
School of Humanities and Social Sciences
14, Nanyang Drive
Singapore 637332*

About the Speaker:

Dr. Iftekhar Hasan is the E. Gerald Corrigan Chair in International Business and Finance at Fordham University. He serves as a scientific advisor at the Bank of Finland; a research fellow at the Financial Institution Center at the Wharton School and a research associate at the Berkley Center at the NYU Stern School of Business. Professor Hasan has held visiting faculty positions at several prestigious academic institutions around the world. He has served as a consultant/visiting scholar at a number of key organizations, including: the World Bank; the IMF; the United Nations; the Federal Reserve Bank of Atlanta; the Banque de France; Interbank Deposit Protection Fund, Italy and the Office of the Comptroller of Currency of the U.S. Treasury. He is the managing editor of the Journal of Financial Stability. Professor Hasan's research interests are in the areas of financial institutions, corporate finance, and emerging markets. Professor Hasan has over 325 publications in print, including 14 books and edited volumes and over 200 peerreviewed articles in journals such as JFE, JFQA, JB, JME, JMCB, RoF, JFI, JCF, JEF, JMIF, JBF, MS, EJOR, SMJ, BJM, RP, CAR, and JMIS. He is a Fulbright Scholar and received his PhD and MS from the University of Houston. He received a "Doctor Honoris Causa" from the Romanian American University in Bucharest.

Abstract:

We study the effect of increased democracy on innovation using novel provincial panel data on political pluralism in China from 1980 to 2012. We find higher diversity and more noncommunist members in the provincial congresses positively affect innovation. An instrumental variable approach using the 1965 (pre-cultural revolution) provincial congress compositions confirms our results. Consistent with Acemoglu and Robinson's (2012) proposition that more 'inclusive' political institution leads to less extractive economic institution, we find provinces with higher congress diversity and noncommunist members tend to have higher R&D expenditure, earlier initiative to attract highly skilled emigrants, and earlier patent promotion policies. To establish causality, we examine the staggered adoption of secret ballot voting method in provincial congresses and an intracommunist party democracy experiment at county level to reform the tenure system of party congress. Finally we find crackdowns on corruption among holders of high political offices in a province positively affect subsequent innovations. Overall, our results suggest in a single party authoritarian country like China, a little bit more democracy could have significant impact on innovation

Reservation:

Admission is free. Please reply to h-dae@ntu.edu.sg to confirm your attendance.