

Corruption, Development and Institutional Design

Edited by

János Kornai

*Harvard University, USA and the Collegium and the
Central European University, Budapest, Hungary*

László Mátyás

Central European University, Budapest, Hungary

and

Gérard Roland

University of California, Berkeley, USA

palgrave
macmillan

*in association with the
INTERNATIONAL ECONOMIC ASSOCIATION*

Contents

<i>List of Tables and Figures</i>	vii
<i>The International Economic Association</i>	xi
<i>Preface and Acknowledgements</i>	xiii
<i>List of Contributors</i>	xv
<i>List of Abbreviations and Acronyms</i>	xvii
Introduction: Great Changes in the World and in Economics – Corruption, Development and Institutional Design <i>János Kornai, László Mátyás and Gérard Roland</i>	xix
Part 1 Political Environment	1
1 Electoral Rules and Constitutional Structures as Constraints on Corruption <i>Jana Kunicová and Susan Rose-Ackerman</i>	3
2 State Capture: From Yeltsin to Putin <i>Evgeny Yakovlev and Ekaterina Zhuravskaya</i>	24
3 Democracy for Better Governance and Higher Economic Growth in the MENA Region? <i>Mustapha K. Nabli and Carlos Silva-Jáuregui</i>	37
Part 2 Supply of Productive Factors	69
4 Distance to the Efficiency Frontier and Foreign Direct Investment and Spillovers <i>Klara Sabirianova Peter, Jan Svejnar and Katherine Terrell</i>	71
5 A Portrait of the Chinese Entrepreneur <i>Simeon Djankov, Yingyi Qian, Gérard Roland and Ekaterina Zhuravskaya</i>	82

6	A Gain with a Drain? Evidence from Rural Mexico on the New Economics of the Brain Drain <i>Steve Boucher, Oded Stark, and J. Edward Taylor</i>	100
7	The Brain Drain, 'Educated Unemployment', Human Capital Formation, and Economic Betterment <i>Oded Stark and C. Simon Fan</i>	120
8	An Optimal Selective Migration Policy in the Absence of Symmetric Information, and in the Presence of Skill Formation Incentives <i>Oded Stark, Alessandra Casarico, and Silke Uebelmesser</i>	152
9	International Migration, Human Capital Formation, and the Setting of Migration-Control Policies: Mapping the Gains <i>Oded Stark, Alessandra Casarico, Carlo Devillanova, and Silke Uebelmesser</i>	169
Part 3 Public Utility Reform		187
10	Redesigning Public Utilities: the Key Role of Micro-institutions <i>Claude Ménard</i>	189
11	Does Regulation and Institutional Design Matter for Infrastructure Sector Performance? <i>Luis A. Andrés, José Luis Guasch and Stephane Straub</i>	203
12	Institutional Evolution and Energy Reform in the UK <i>Richard Green</i>	235
	<i>Index</i>	253