



CENTRO STUDI LUCA D'AGLIANO

Tenth Luca d'Agliano Lecture in Development Economics

STATE EFFECTIVENESS AND ECONOMIC DEVELOPMENT

Timothy Besley

London School of Economics and Political Science

Thursday, November 22nd 2012
6.00 p.m.

Fondazione Luigi Einaudi
Palazzo d'Azeglio
Via Principe Amedeo, 34
10123 Torino

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Timothy Besley

Timothy Besley is School Professor of Economics and Political Science at the London School of Economics and Political Science (LSE). He is also a Visiting Professor at the Institute for International Economic Studies at Stockholm University. From September 2006 to August 2009, he served as an external member of the Bank of England Monetary Policy Committee. He is also the Gluskin-Granovsky Fellow in the Institutions, Organizations and Growth Program of the Canadian Institute for Advanced Research (CIFAR). Professor Besley was educated at Aylesbury Grammar School and Oxford University where he became a prize fellow of All Souls College. He taught subsequently at Princeton before being appointed Professor in the economics department at the LSE in 1995. He is a Fellow of the Econometric Society, the British Academy, and the European Economic Association. He is also a foreign honorary member of the American Economic Association and of the American Academy of Arts and Sciences. In 2010 he served as the President of the European Economic Association. Professor Besley is a past co-editor of the *American Economic Review*, and a 2005 winner of the Yrjö Jahnsson Award of the European Economics Association which is granted every other year to an economist aged under 45 who has made a significant contribution to economics in Europe. His research, which mostly has a policy focus, is mainly in the areas of Development Economics, Public Economics and Political Economy.

State Effectiveness and Economic Development

This lecture will explore determinants of state effectiveness and its role in supporting economic development in three main dimensions: collective, productive and revenue raising. The collective refers to ability of the state to deliver core public goods and services to its citizens. The productive refers to building infrastructure and creating a market supporting environment. Revenue raising refers to building a tax system that allows the state to fulfil its spending ambitions. The lecture will argue that there are common determinants to these core dimensions of state effectiveness and that they complement each other; supporting one dimension tends to create incentives to improve others. State effectiveness through history has been enhanced by investing in state capacities with long-range benefits. Understanding why effective states are not universal requires an analysis of the political and institutional forces which shape government incentives.

Programme

Tenth Luca d'Agliano Lecture:

“State Effectiveness and Economic Development”

TIMOTHY BESLEY

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18.00 *Welcoming Address*

PIERO GASTALDO (General Secretary,
Compagnia di San Paolo)

GIORGIO BARBA NAVARETTI (Scientific
Director, Centro Studi Luca d'Agliano; Professor
of Economics, University of Milan)

18.10 *Introduction to the Lecture*

FRANÇOIS BOURGUIGNON (Director, Paris
School of Economics; Professor of Economics,
École des Hautes Études en Sciences Sociales,
Paris; Chairmarn, Scientific Advisory Board,
Centro Studi Luca d'Agliano)

18.20 *Lecture*

19.20 *Debate*

The Luca d'Agliano Lectures in Development Economics

The Luca d'Agliano Lectures in Development Economics are organised every year in Turin thanks to the generous support of the Compagnia di San Paolo. They aim at favouring the diffusion of the ideas of the best world thinkers in the field to a non specialised audience. The ultimate objective of the Lectures is to help grounding the general debate on development issues, often confused and muddled, into sound economic analysis.

Past Luca d'Agliano Lecturers are:

2003 - Pranab Bardhan (Professor of Economics, University of California, Berkeley): *"Globalisation and the Poor"*;

2004 - Dani Rodrik (Professor of International Political Economy, Harvard University): *"Rethinking Economic Growth in Developing Countries"*;

2006 - Jeffrey G. Williamson (Laird Bell Professor of Economics, Harvard University): *"Globalization and Underdevelopment in the Pre-Modern Third World"*;

2006 - François Bourguignon (Chief Economist and Senior Vice President, World Bank; Professor of Economics, École des Hautes Études en Sciences Sociales, Paris): *"Employment and Development: Good Jobs, Bad Jobs"*;

2007 - Paul R. Krugman (Professor of Economics and International Affairs, Woodrow Wilson School of Public and International Affairs, Princeton University): *"Does Outsourcing Change Everything?"*;

2008 - Anthony J. Venables (Professor of Economics, Oxford University; Director, Oxford Centre for the Analysis of Resource Rich Economies): *"Accelerating Economic Growth in Africa"*;

2009 - Barry Eichengreen (George C. Pardee and Helen N. Pardee Professor of Economics and Professor of Political Science, University of California, Berkeley): *"The Dollar in Doubt"*;

2010 - Nemat (Minouche) Shafik (Permanent Secretary, Department for International Development): *"The Future of Aid"*.

2011 - Thierry Verdier (Scientific Director, Paris School of Economics): *"The Role of Cultural Diversity in Growth and Development: What do Economists Have to Say about This?"*.

Luca d'Agliano

Luca d'Agliano was born in Turin on July 4th, 1961. In September 1980, he went up to Churchill College, University of Cambridge, where he read philosophy and then economics. On taking his Bachelor of Arts degree in 1983, he was awarded a scholarship by the Fondazione Luigi Einaudi, Turin, and was admitted to St. Anthony's College, University of Oxford. Here, under the guidance of Amartya Sen, he studied questions relating to developing countries and welfare economics.

It was Luca's vision that the study of economics should be "... continually carried over into practical applications, above all when attempting to solve problems that limit the growth of man's well-being. For this substantially ideological reason, it becomes important to combine close study of purely theoretical matters with a study of the problems afflicting the developing countries in their struggle against poverty [...]".

Nearly a year later, Luca d'Agliano lost his life in a road accident (June 1984).

Centro Studi Luca d'Agliano

The Centro Studi Luca d'Agliano was founded in Turin in 1986 by the family of Luca d'Agliano, his friends, and some of his teachers. It is currently located at the Fondazione Luigi Einaudi in Torino and at the University of Milan. It is a non-profit research institution contributing original research in the field of international and development economics. Particular emphasis is placed on the training of young scholars and in giving them the opportunity of acquiring a truly international perspective. The activities of the Centro Studi mainly focus on academic research, but it also greatly contributes to the policy debate.

For information and replies

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For further information on Timothy Besley
and on the Lecture, please refer to:

www.dagliano.unimi.it