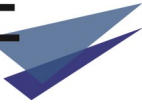




27-01-2022

IREGE

INSTITUT DE RECHERCHE
EN GESTION ET ECONOMIE



Justinien RAZAFINDRAVAOSOLONIRINA

The income loss of a political crisis: Evidence from Madagascar

Since the late 1950s, Madagascar has experienced four constitutional changes and four crises of a political nature. In the present paper, we assess the economic effects of the 2009 Malagasy political crisis, which stands out from the three previous crises because of its suddenness and its duration. For this purpose, we use the synthetic control method, which involves determining the most credible counterfactual for the Malagasy economy from a subset of optimally weighted untreated countries. This empirical approach clearly shows that the output loss of this crisis is sizable, leading to a per capita income loss of around 25% eight years after the start of the crisis. Sensitivity analyses applied to verify the robustness of our main result confirm that the effect of the 2009 Malagasy political crisis was unusually large. We then conduct an in-depth analysis to understand the main mechanisms that explain this output loss. We confirm that investments are probably the main determinants explaining the output loss after the crisis. We believe that our approach reveals that political instability is one of the main constraints preventing Madagascar from prospering.

Keywords: political crisis, Madagascar, synthetic control method

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12h30 — Salle 103 — Comodal

Participer à la réunion Zoom :

[https://zoom.us/j/99328444342?](https://zoom.us/j/99328444342?pwd=eDJpTWpKTOZHTTBzQ2xLdnQydUIFUTQ9)

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ID de réunion : 993 2844 4342

Code secret : 4RxD9R

Agenda

03/02/2022, Benjamin MONNERY (EconomiX, Université Paris Nanterre), Does the International Criminal Court Reduce Violence Against Civilians?

Calendrier des séminaires

<https://urlz.fr/gvi5>

