

Abstract

Political Business Cycles: Do They Exist in Croatia?

RESEARCH PAPER

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The paper examines the political business cycles theory in the case of Croatia. The paper is structured in two parts: an overview of theoretical background and an empirical analysis of opportunistic political cycles in Croatia. The first part presents a detailed insight into different political business cycle models, while the second part tests econometrically whether fiscal policy cycles existed in Croatia in the period from 1995 to 2008, over which a total of four parliamentary elections were held.

Keywords: political business cycles, fiscal policy, parliamentary elections, transition countries, Croatia

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