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## COUPS AND ECONOMIC CRISES

In the literature on political instability, the standard assumption is that economic crises often cause coup attempts. This paper instead explores the reverse causal direction by asking whether coups cause increased crisis risk, and if some types of coups are associated with stronger risk. I first develop a simple theoretical framework, which indicates that coordination problems associated with some types of coups are associated with likely economic decline. I use a worldwide sample with data on more than 1200 onsets of economic crisis between 1950 and 2019, treat separate effects of military and civilian coup attempts, and distinguish between failed and successful coups. The data reveal that economic crises are primarily induced by successful coups, and by coups that result in regime change towards civilian autocracy from both democracy and military dictatorship. Conversely, failed coups and military coups are not systematically associated with crisis onset.

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