# Economic Analysis of Constitutions – Or: Constitutional Economics

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- (3. Democratic Autocratic: does it matter?)

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### III The Constitution as Explanandum

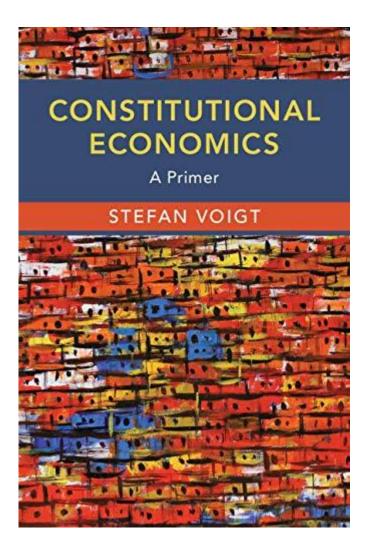
- 10. Why and when do Countries Change their Form of Government?
- 11. Getting Started: The Constitutional Assembly

### **IV Normative Theories**

- 12. John Rawls
- 13. James Buchanan

### Any recommended reading?

### Yes, of course!



Cambridge University Press (2020) 152 pages Sells for ~ € 24.00

## References Required reading marked "\*"

One of the **foundations** of Positive Constitutional Economics is:

 Buchanan, J. and Tullock, G. (1962). *The Calculus of Consent* -Logical Foundations of Constitutional Democracy. Ann Arbor: University of Michigan Press (of which chapter 6 is \*)

The possible functions of constitutions in **autocratic regimes** are nicely discussed in

 Elkins, Z., Ginsburg, T. & Melton, J (2014). The Content of Authoritarian Constitutions, In: Ginsburg, T., & Simpser, A. (Eds.). *Constitutions in authoritarian regimes*. Cambridge University Press, pp. 141-164.

An important contribution to Positive Constitutional Economy is:

• Persson, T., & Tabellini, G. (2003). The Economic Effects of Constitutions. Cambridge, MA: The MIT Press.

## References (2)

For the chapters on electoral rules and forms of government:

• \*Persson, T. and G. Tabellini (2004); Constitutions and Economic Policy, *Journal of Economic Perspectives*, 18(1):75-98.

And

• \*Blume, L., Müller, J., Voigt, S., & Wolf, C. (2009). The Economic Effects of Constitutions: Replicating – and Extending – Persson and Tabellini, *Public Choice* 139:197-225.

The Economic Effects of Human Rights are analyzed in:

• \*Blume, L and S. Voigt (2007); "The Economic Effects of Human Rights", *Kyklos* 60(4):509-38.

The following two papers deal with the economic consequences of **federalism**:

• Blume, L and S. Voigt (2011); "Federalism and Decentralization – A Critical Survey of Frequently Used Indicators", *Constitutional Political Economy* 22(3):238-264;

available at: <u>http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=1263995</u>.

• Blume, L. and S. Voigt (2012); "The Economic Effects of Federalism – A Cross-Country Assessment. *Public Choice* 151;229-254.

available at: <a href="http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=1307169">http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=1307169</a>.

## References (3)

This is the first paper that assesses the economic consequences of **direct democracy** on a crosscountry basis:

 \*Blume, L, J. Müller and S. Voigt (2009); "The Economic Effects of Direct Democracy – A First Global Assessment", *Public Choice* 140:431-61 (2009).

And here is an excellent ",3rd generation" paper:

• Funk, P., & Gathmann, C. (2011). Does direct democracy reduce the size of government? New evidence from historical data, 1890–2000. The Economic Journal, 121(557), 1252-1280.

A "gap" in the implementation of constitutional text is discussed by

• \*Chilton, A. S., & Versteeg, M. (2015). Do Constitutional Rights Make a Difference?. *American Journal of Political Science*.

A fantastic paper on whether the way in which constitutions are produced really matters is

• \*Ginsburg, T., Z. Elkins and J. Blount (2009). Does the Process of Constitution-Making Matter? *An. Rev. of Law and Soc Science* 201-23.

One of the few papers trying to **endogenize** constitutional rules is this:

• Hayo, B. and S. Voigt (2012); "Endogenous Constitutions: Politics and Politicians Matter, Economic Outcomes Don't." *Journal of Economic Behavior and Organization* 

Two "classics" from Rawls and Buchanan are:

- Rawls, J. (1971). *A Theory of Justice*. Cambridge: Harvard University Press.
- Buchanan, J. (1975). *The Limits of Liberty Between Anarchy and Leviathan*. Chicago: University of Chicago Press.