

# Center for Study of Public Choice

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Annual Report: 2018-2019

One of my most important and gratifying responsibilities as Director of the Center is to run our annual Outreach Conference. In keeping with Jim Buchanan's vision to reunite moral philosophy, political science, economics, history, and law, we invite students from many different disciplines and provide them with a crash course in public choice. In most years, I teach the classics. One session on rent seeking, rational ignorance, special interests, and collective action problems; and another on paradoxes of voting, Arrow's theorem, and Saari's representation triangle. Public Choice, however, is an active research program, and so, in addition to the classics, students also learn about innovative research.



Peter Leeson gave a great talk this year based on his work trying to understand seemingly irrational historical institutions such as animal trials, wife sales, and ordeals! For hundreds of years the sophisticated European legal system also included trials by fire or water. In a typical ordeal, a defendant was supposed to thrust his hand into a cauldron of boiling water and fish out a ring. If his hand was unharmed, he was exonerated. If not, he was convicted. Irrational superstition? One piece of evidence that suggests more was going on than at first appears is that quite a few people who underwent the ordeal were unharmed and thus exonerated!

How is this possible? Leeson suggests that "Ordeal outcomes were miraculous, but they were miracles of mechanism design." Read his paper on ordeals in the *Journal of Law and Economics* or his book *WTF?: An Economic Tour of the Weird* to find out more!

Robin Hanson challenged students with bold, new ideas about alternative legal institutions. Hanson began by imagining a system of government that produced and distributed food. In this system, each individual would have a right to food but only in the amount, quality, and form of the government's choosing. It is not hard to see that this system would not respond well to differences in tastes and that food production would likely be inefficient, wasteful, and potentially corrupt. Yet this is exactly the system we use for providing law and order!

Hanson described how an alternative system might work in which everyone had to be insured for all legal liability. Insurers would then set premiums based upon an individual's previous choices and their willingness to accept specific punishments. Just as insurers today, for example, give discounts on car insurance to individuals who are willing to install monitoring equipment, insurers in Hanson's system would give discounts to individuals willing to accept monitoring or harsh punishments in the event that they were found guilty of a crime. Much of what we consider law enforcement and legal procedure would be privatized and individualized. Will it work? Who knows! But it was inspiring to see an original mind grapple with new ideas that also shed light on the often-unquestioned assumptions of our own familiar system.

You can find out more about the wonderful Outreach Conference on page 5.

*Alex Tabarrok*

July 2019

**Q:** Your new book is titled *Big Business: A Love Letter to An American Anti-Hero*. Why a love letter and why now?

**A:** Anti-business sentiment is on the rise in America, most of all amongst intellectuals. And in *both* political parties. My book is intended as a sober, factual corrective, setting the record straight. I'm not arguing business is perfect – far from it – but I see a greater number of anti-business exaggerations every day. The reality is that American business is not very monopolistic, it is not more crooked than people operating outside of a business context, the tech companies are not destroying society, on average CEOs are not overpaid, most people value and enjoy their jobs, and our financial sector is somewhat underrated, given its current reputation. I am trying to educate my readers on those and other matters, drawing upon academic literatures and also basic economic reasoning.



Tyler Cowen

**Q:** Small business gets a lot of love in Washington, there is a small business administration but no big business administration, for example. Yet most workers today work for big business, which pays more and offers more job security. So why does small business get a better image than big business?

**A:** Americans love the underdog. "Big business" is supposed to be too powerful. Intellectuals tell us not to trust big business, even though small business is more likely to rip us off. In part, we turn on big business simply because it is a set of common names we all can talk about, and talk inevitably leads to criticism (it is unlikely we share the same TV repairman, so we don't complain about him to each other). Nonetheless, at the end of the day, I find this discrepancy in opinion still puzzling and difficult to explain. In any case, these days it is big business that needs the defense in the court of public opinion.

**Q:** The tech companies Facebook, Amazon, Netflix, and Google (FANG) all appear to dominate their markets, but unlike in the traditional monopoly model, consumer prices are zero or low and falling. Are these firms monopolies? And, if so, where does monopoly power show up?

**A:** We should stop using the word "monopoly" for those companies, even though they may have dominant market positions. But it is important to examine each company separately. Amazon, for instance, isn't even a dominant seller in many markets other than books. Walmart is a much stronger presence in retail overall. Google is by far the most commonly used search engine, but there are many other alternatives available, and for free. Google maintains its position by offering the best product, not by monopolization. Facebook has been losing millions of young users to other social networks. So there is no single answer for all of those firms, rather a somewhat different answer for each case. Netflix is facing more competition all the time, most of all from Amazon.

**Q:** China has the world's largest internet population, which gives them a big advantage in being willing to spend fixed costs on R&D. Can the U.S. tech firms compete especially if U.S. firms also face antitrust action?

**A:** China has the world's largest internet population, but not necessarily in terms of purchasing power. China's internet is also massively censored and all of the information put on there is directly channeled to the Chinese state. Those background facts give the American companies a significant competitive advantage, including in foreign markets. That said, Americans are often their own worst enemy. If we use this moment to split up or significantly harass our major internet companies – such as Facebook, Amazon, and Google – we may very well hand over the next generation of internet innovation to the Chinese, and to our geopolitical detriment.

**Q:** Many people say they are worried about privacy and yet at the same time the demand for cryptographically secure email and private browsers is very low. Venmo payments are by default public yet it processes more transactions than Bitcoin or ZCash. What's going on? Is there a prisoner's dilemma problem?

**A:** If you tell people they are supposed to care about privacy, they will claim that they do. But demonstrated preference seems to suggest they do not, at least not for *internet privacy*. What people really hate is malicious gossip about them, not when Facebook collects information about them. So privacy is not a single, homogeneous thing. The pro-privacy movement is mostly led by intellectuals, it is not very "grass roots." Furthermore, it picks its targets very selectively – note that credit bureaus and direct marketers have been collecting information on people for a long time. The *New York Times* sells information about its subscribers, and then runs "pro-privacy, anti-Facebook" editorials virtually every week. The current pro-privacy movement is fairly incoherent, and it doesn't seem to have actual privacy as its priority.

**Q:** Public choice scholars understand the danger of rent seeking. Yet Gordon Tullock also pointed out that the amount of money in American politics is incredibly low relative to what looks like extraordinary potential gains. The U.S. government, after all, directly or indirectly controls huge swaths of GDP. Should we be encouraged by how little money flows into American politics?

**A:** There is plenty of harmful rent seeking in American politics, but we have arrived at a point where many people – both on the Left and libertarians – overestimate its prominence. The Left wants to argue that corporations control our government, rather than facing up to the unpopularity of its own recipes, even within the Democratic Party. Libertarians like to think they are on the side of "the little guy," and thus they somewhat overstate Crony Capitalism. That said, farm subsidies, pharma protectionism, and excessive IP law are all still bad ideas.

Tyler Cowen



## The 2019 Public Choice Outreach Conference

Our world-famous Outreach Conference had 41 students this year, including 23 undergraduates, 8 graduate students, and 5 PhD students. Student majors included law, economics, political science, global affairs, mechanical engineering, and Asian studies. We had an all-star lineup of speakers including Tyler Cowen, Johanna Mollerstrom, Peter Leeson, Shruti Rajagopalan, Peter Boettke, Robin Hanson, Garrett Jones, Todd Zywicki, and Alex Tabarrok.

Here are just a few of the many outstanding comments from attendees:

*"GMU Outreach is fantastic; an eye widening, and inspiring conference that provides those willing to understand with a unique context to challenge the problems of tomorrow. I am sincerely grateful for this life-changing experience."*

*Robbie Spotford*

*"Super beneficial! I can't wait to learn more about public choice!"*

*Danielle Ernspiker*

*"The conference was great -- not only in presenting new conceptual ideas and igniting thought provoking conversation, but also in being a resource for academic advice (grad school applications, for example). I am very grateful for the opportunity."*

*Levi Edwards*



*Students and faculty at the 2019 Public Choice Outreach Conference!*

## The Center for Study of Public Choice Seminar Series

### Fall 2018

Speaker	Affiliation	Topic
Michael Clemens	Center for Global Development	The New Economic Case for Migration Restrictions: An Assessment
Robin Hanson	George Mason University	The Elephant in the Brain: Hidden Motives in Everyday Life
Brian Beach	College of William & Mary	Segregation and the Initial Provision of Water in the United States
Conor Lennon	University of Louisville	Minimum Wages, Morality, and Efficiency: A Choice Experiment
Garett Jones	George Mason University	10% Less Democracy
John T. Dalton	Wake Forest University	The Slave Trade and Conflict in Africa, 1400-2000
Erik Hornung	University of Cologne	Roman Trade Networks and Economic Integration
James Feigenbaum	Boston University	From the Bargaining Table to the Ballot Box: Political Effects Right to Work Laws
Réka Juhász	Columbia University	Spinning the Web: Codifiability, Information Frictions and Trade
Walker Hanlon	NYU	Censorship, Family Planning, and the British Demographic Transition
Alan Olmstead	U.C. Davis	The Origins of Economic Regulation in the United States: The Interstate Commerce and Bureau of Animal Industry Acts

### Spring 2019

Speaker	Affiliation	Topic
Ed Glaeser	Harvard University	Jobs for the Heartland: Place-Based Policies in 21st-Century America
Janelle Wong	University of Maryland	Why are Black Americans more pro-immigrant than Asian Americans? A deeper dive into race and immigration attitudes
GMU Panel	GMU Panel	Peter Boettke, Mark Koyama, and Thomas Stratmann
Howard Chang	University of Pennsylvania	The Economics of Immigration Reform
Alexander Kustov	Princeton University	Borders of Compassion: International Migration and the Politics of Parochial Altruism
Melanie Meng Xue	Northwestern	Folklore
Dylan Wiliam	UCL	Some further simple analytics of school quality—and a proposal
Jeffrey Butler	UC Merced	Inequality as an Incentive
Nicholas Bloom	Stanford University	The Impact of Chinese Trade on U.S. Employment: The Good, The Bad, and The Apocryphal
Theodore Breton	EAFIT University	Presentation: Higher Test Scores or More Schooling? Another Look at the Causes of Economic Growth



**Zachary Bartsch**

**Zachary Bartsch** defended the dissertation, "Economic Policy Uncertainty: A Closer Look." Dr. Tyler Cowen and Dr. Garrett Jones served on the committee.



**Dylan Dellisanti**

**Dylan Dellisanti** defended the dissertation, "Three Essays on Adam Smith and the 'Corruption Debate'" Dr. Donald Boudreaux served on the committee.



**Eric Hammer**

**Eric Hammer** defended the dissertation, "Analyzing the Moral Effects of the Welfare State Through the Lens of Adam Smith's Theory of Moral Sentiments." Dr. Donald Boudreaux and Dr. David Levy served on the committee.



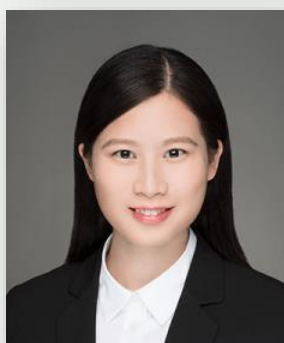
**Robert Hazel**

**Robert Hazel** defended the dissertation, "Three Essays in Aviation Economics." Dr. Alex Tabarrok chaired the committee.



**Daniel Kling**

**Daniel Kling** defended the dissertation, "Field Experiments with Robo Calls: The Effect of Treatment Dosage and Social Pressure Messaging on Voter Participation." Dr. Thomas Stratmann chaired the committee.



**Shuwen Li**

**Shuwen Li** defended the dissertation, "Analyzing the Moral Effects of the Welfare State Through the Lens of Adam Smith's Theory of Moral Sentiments." Dr. Thomas Stratmann served on the committee.



**Brandon M. Pizzola**

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**Brandon M. Pizzola** defended the dissertation, "Essays on Regulation in the United States." Dr. Alex Tabarrok chaired the committee.



**Julia Rubicam-Clouse**

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**Julia Rubicam-Clouse** defended the dissertation, "Converting the Texts of the U.S. State Constitutions into Quantifiable Data: A Text Analytics Project." Dr. Alex Tabarrok chaired the committee.

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**Charles Moulton** defended the dissertation, "Essays on the Future of Money." Dr. Bryan Caplan served on the committee.

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**Linan Peng** defended the dissertation, "Essays on Development of China." Dr. Donald Boudreaux chaired the committee.

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**Weiwei Tasch** defended the dissertation, "Essays on Social Preferences and Social Curiosity." Dr. Thomas Stratmann served on the committee.





Don Boudreaux

Donald J. Boudreaux continues to blog at Café Hayek ([www.cafehayek.com](http://www.cafehayek.com)) and to write a twice-monthly column for the *Pittsburgh Tribune-Review*. The current prominence of trade-related matters keeps him busy lecturing in the U.S., Canada, and Europe on the economics of trade policy.

His paper "Buchanan, Hayek, and the Limits of Constitutional Ambition" was published as a chapter in *James M. Buchanan: A Theorist of Political Economy and Social Philosophy* (Richard E. Wagner, ed., 2019). He is currently writing *The Essential Buchanan* (Fraser Institute, forthcoming).



Bryan Caplan

Bryan Caplan had another highly successful year. His *The Case Against Education* (Princeton University Press) continued to receive heavy media publicity. When the CollegeGate scandal broke, *TIME Magazine* commissioned a reaction essay from him, which appeared in the print edition as well as online.

More importantly, however, he has finally completed his non-fiction graphic novel on the social science and philosophy of immigration, entitled *Open Borders: The Science and Ethics of Immigration*. The book tries to present the best scholarship on immigration in an accessible and entertaining format; it will be published by First Second, an imprint of Macmillan, in October of 2019. Co-authored with famed cartoonist Zach Weinersmith of Saturday Morning Breakfast Cereal, this work provides an accessible – and eye-popping – survey of the social science of immigration for laymen and researchers alike, as well as an engaging secondary textbook for classes in labor economics, immigration, global justice, and public choice. Intellectual interest in the book seems extraordinarily high: On the day it became available for pre-order, it was Amazon.com's #4 best-seller in All Books, and the #1 New Release in the world!

While Dr. Caplan will spend much of the coming year on *Open Borders* publicity, he has also begun work on his next project, entitled *Poverty: Who To Blame*. This book will combine economic philosophy with interdisciplinary social science to answer some timeless questions, including, "Why does poverty persist?," "Who is morally responsible for poverty's continued existence?," and "What, if anything, can be done about it?." The book will begin by reviving and defending the classic distinction between the "deserving" and "undeserving" poor. Then it will apply the distinction to the real world, focusing on bad economic policy in the Third World, immigration restrictions (and housing regulation) in the First World, and irresponsible personal behavior around the world.

### Publications

*Open Borders: The Science and Ethics of Immigration*. forthcoming. NY: First Second.

"The Larger Lie Beyond the College Admissions Bribery Case." March 25, 2019. *Time*.



Tyler Cowen

Over the last year Tyler Cowen published two books, the first being *Stubborn Attachments: A Vision for a Society of Free, Prosperous, and Responsible Individuals*, and *Big Business: A Love Letter to an American Anti-Hero*. His work has been covered by *The Economist*, *The New York Times*, *The Washington Post*, *The Financial Times*, and other outlets. Dr. Cowen has continued to write two columns a week for *Bloomberg Opinion*, writes every day for *Marginal Revolution*, and has proceeded with his podcast series *Conversations with Tyler*.



Robin Hanson

Robin Hanson continued efforts to market his second book, *The Elephant in the Brain: Hidden Motives in Everyday Life*, which has sold 22,000 copies so far, and, to a lesser extent his first book, *The Age of Em: Work, Love, and Life when Robots Rule the Earth*, which has sold 11,000 copies. He has nearly finished the third year of his three-year grant from Open Philanthropy, and has begun to sketch out the next books he will write, at least one of which will be on a radical institution reform proposal.

Graphical Model Market Maker for Combinatorial Prediction Markets, with Kathryn Blackmond Laskey, Wei Sun, Charles Twardy, Shou Matsumoto, Brandon Goldfedder, *Journal of Artificial Intelligence Research*, 63:421-460, 2018.

Long-Term Trajectories of Human Civilization, with Seth Baum, Stuart Armstrong, Timoteus Ekenstedt, Olle Haggstrom, Karin Kuhlemann, Matthijs Maas, James Miller, Markus Salmela, Anders Sandberg, Kaj Sotala, Phil Torres, Alexey Turchin, and Roman Yampolskiy, *Foresight*, 21(1):53-83, 2019.



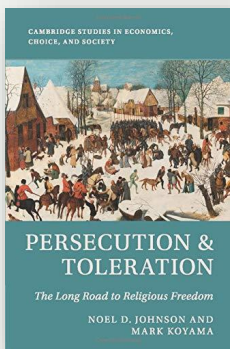
Ron Heiner

Dr. Heiner continued his research on the evolution of cooperation, combining standard game theory with signal detection theory from behavioral psychology. He is currently finishing a book titled *Cooperation in Prisoners' Dilemmas: the Critical Case of One-Shot Interactions* (World Scientific Press). During last year, Dr. Heiner solved certain problems about how to combine signal detection analysis with standard game theory.



*Tim Groseclose*

During the 2018-19 academic year, Tim Groseclose gave public lectures at Clemson and Wake Forest Universities; he testified before a congressional subcommittee; and he appeared on camera for an upcoming documentary about Roger Ailes. His research was featured prominently in Mark Levin's best-selling book, *Unfreedom of the Press*, and was mentioned by several media outlets, including *National Review*, Fox News' *Hannity*, and Fox News' *Outnumbered*. Dr. Groseclose continues to work on two game-theoretic bargaining models and another model that examines the extent to which "static analysis" overestimates revenue from tax increases.



During the Fall 2018 academic year, Noel Johnson was a visiting fellow at the Sorbonne (PSE) in Paris. In the Spring, his book with Mark Koyama, *Persecution and Toleration: The Long Road to Religious Freedom* was released by Cambridge University Press. Dr. Johnson also published "Negative Shocks and Mass Persecutions: Evidence from the Black Death" (with Remi Jedwab and Mark Koyama) in the *Journal of Economic Growth*.

Dr. Johnson also kept busy last year presenting papers around the world including at Bocconi University, NYU-Abu Dhabi, the Paris School of Economics, Northwestern, and the Economic History Association Meetings in Montreal. Along with Mark Koyama, Dr. Johnson participated in a Cato Unbound Forum to popularize *Persecution and Toleration*. Other participants in the forum were James Robinson, Dalibor Rohac, and Hans Eicholz. Dr. Johnson also enjoyed chatting with Tyler Cowen about his book, and other things, in a Conversations With Tyler episode. In addition, Dr. Johnson participated in the Deep Rooted Factors in Economic Development at Brown University as well as a Manuscript Conference for Timur Kuran's new book on *Freedoms Delayed* in the Middle East last year. He also enjoyed discussing Montesquieu and Pathways to Liberty at a Liberty Fund Conference in Miami Beach.



*Noel Johnson*

In addition to these activities, Dr. Johnson continued to work on old and new research projects. Prominent among these is his research on how large environmental shocks, such as the Black Death and volcanic eruptions, can inform our understanding of theories of urban development and trade. Dr. Johnson also continues to work on how religious and other institutions affect economic performance.



Garrett Jones

This year Garrett Jones completed the final draft of his second book with Stanford University Press. It is entitled *10% Less Democracy: Why you should trust elites a little more and the masses a little less*. It will be available in February 2020. Political philosopher Jason Brennan of Georgetown University says " *10% Less Democracy* is a joy to read. A tour de force combining the best economic insight with real-world, practical applications. Every chapter demonstrates ways in which reducing democratic control over certain decisions reliably results in better outcomes for all."

Dr. Jones signed a contract with HarperCollins for his third book, which he will be writing during his 2019-2020 academic-year sabbatical. Together, these two books, plus his first, *Hive Mind*, on the importance of human capital spillovers for prosperity, will complete his Singapore Trilogy, a 21<sup>st</sup> century data- and theory-driven inquiry into the nature and causes of the wealth of nations. Dr. Jones spoke about immigration and institutional quality at the Politics, Philosophy, and Economics meetings during the Spring 2019 semester, gave talks on *10% Less Democracy* at GMU's Public Choice and Invisible Hand seminars, and spoke at Davos in January 2019 as part of a panel on cryptocurrency. The cryptocurrency panel appearance was related to Dr. Jones' consulting work for Reserve.org, a Thiel-backed venture. Fellow Davos panelists included Jaan Tallin, a co-founder of Skype, and Luke Nosek, a co-founder of PayPal.



Mark Koyama

Mark Koyama's major event of 2018-2019 was the publication of his new book, joint with Public Choice Center colleague Noel Johnson, *Persecution & Toleration: The Long Road to Religious Freedom* (CUP) in April 2019. This book builds on a decade of research on the topics of religious freedom, state capacity, and religious violence in economic history.

A number of other papers also saw publication. "Negative Shocks and Mass Killings: Evidence from the Black Death," with Remi Jebwab and Noel Johnson, was accepted in the *Journal of Economic Growth*. "Geopolitics and Asia's Little Divergence: A Comparative Analysis of State Building in China and Japan After 1850," with Chiaki Moriguchi and Tuan-Hwee Sng, was published in the *Journal of Economics, Organization and Behavior*.

Three book chapters were published or accepted for publication in 2018-2019. A chapter entitled "The State, Toleration, and Religious Freedom," with Noel Johnson, was accepted for publication in *Advances in the Economics of Religion*. Dr. Koyama also published a chapter on Economic History in the *Rutledge Handbook of Jewish History and Historiography*, and a chapter on Analytical Narratives in Economic History in *An Economists Guide to Economic History*.



In March 2019, Dr. Koyama proudly organized the annual ASREC conference. The number and quality of submissions were extremely impressive. Joseph Henrich gave the keynote lecture. Dr. Koyama, along with Robert Barro and Rachel McCleary, gave presentations on our respective books. A total of 74 papers were presented by leading scholars in the field, including Nathan Nunn, Jared Rubin, Sascha Becker, and Timur Kuran.

Dr. Koyama presented his research at a number of seminars and conferences in 2018-2019. In August 2018, he gave two papers at the World Economic History Congress in Boston, MA. In October 2018, Dr. Koyama presented at the Economic History of Religion Conference organized by Joel Mokyr at Northwestern University. In November 2019, he presented at the Colloquium on Market and Institutions and Economic Processes at NYU. In March and April 2019, he gave talks at Yale University, the Toulouse School of Economics, James Madison University, the Vancouver School of Economics and the University of British Columbia Law School. In May 2019, Dr. Koyama presented at the Deep Determinants of Economic Growth Conference.



Peter T. Leeson

Peter T. Leeson is the Duncan Black Professor of Economics and Law at George Mason University and the North American Editor of *Public Choice*.

Dr. Leeson's work studies the economics of non-market decision making. In 2018 he published an article in this area in the *Economic Journal* titled "Witch Trials" (coauthored with Jacob Russ). That article provides a new explanation for the witch craze that ravaged Europe in the sixteenth and seventeenth centuries and resulted in the trial and execution of tens of thousands for the dubious crime of witchcraft. It was covered widely in popular media, including *The Economist*, History Channel, VOX, Quartz, and

*The Guardian*. Also, in 2018 Leeson published an article in *World Development* titled "Wealth-Destroying Private Property Rights" (with Colin Harris). It shows that governmental extension of private property rights can retard rather than promote economic development. In 2018 Leeson was a Visiting Professor of Economics at Université Paris XIII.

To find his work or press coverage, visit Leeson's personal website: [www.PeterLeeson.com](http://www.PeterLeeson.com).



David Levy

The year was almost entirely devoted to finishing the book on the early Virginia School. We've sharpened the title. The early reaction is promising:

"This wonderfully documented study of the Virginia School of Economics provides important insights into an economics that might have been, and should be." Dave Colander, Distinguished College Professor, Middlebury College.

"Historians of Economic Thought extraordinaire David Levy and Sandra Peart provide an essential contribution in understanding the intellectual history of public choice theory and constitutional economics. In addition to

providing a compendium of original sources that trace the dynamics of the Virginia School, Levy and Peart provide a sympathetic but not uncritical account of the evolution of thinking of leading members of the school." Steven Durlauf, Steans Professor, University of Chicago.

"Levy and Peart provide a fascinating exposition of the importance to economics of the idea of the innate equality of individuals, with implications that range from promoting racial equality to questioning the right of economists to be all-knowing and all-powerful policy advisers. This book could hardly be timelier in our current political and intellectual crisis." William Easterly, Professor of Economics, New York University.

"Precursors and initiators of public choice engaged in debate with propagators of mainstream views. Through documentation of the writings and correspondence of the leading figures, this book provides a splendid statement of how ideas of public choice were developed and what the arguments of opponents were, and might still be." Arye L. Hillman, Bar-Ilan University Israel.

"Read Levy and Peart's documentary history of the Virginia School of Buchanan-Coase-Tullock, and appreciate the perils of academic innovation in economics." Vernon L. Smith, Chapman University, 2002 Nobel Laureate in Economics.

Only after the book was sent to Cambridge, could I review Nancy MacLean's *Democracy in Chains*. Now that historians of economics are going beyond public texts to explore archival holdings, the replication problem moves from applied econometrics to the history of economics. One of points we've made over the last few years is the importance of recovering Gordon Tullock's insight that economists have the same motivational package as everyone else and the foresight of replication changes incentives for the better.



Cesar Martinelli

During the past year, Professor Martinelli has worked on political economy models of accountability, and on experimental studies of collective decisions and of market behavior. On collective decisions in the lab, Dr. Martinelli has worked with Tom Palfrey on Communication and Information in Games of Collective Decision, forthcoming in *The Handbook of Experimental Game Theory*. On accountability, he has worked with John Duggan on Electoral Accountability and Responsive Democracy, R&R requested by *Economic Journal*.



John Nye

In 2019, John V.C. Nye published a paper on "2D:4D and Individual Satisfaction: Evidence from the Russian Social Survey," in *Personality and Individual Differences*, and has a forthcoming review article in the *Journal of Economic Literature* titled "The Limits of the Commune: A Review of The Mystery of the Kibbutz." Dr. Nye continued his joint work with the Higher School of Economics in Moscow and presented papers at the AFSE (French Economic Association) meeting in Orleans, France; and at SIOE (Society for Institutional and Organizational Economics) in Stockholm, Sweden over the summer. Dr. Nye was also appointed to a special advisory board for economic research at the Bangko Sentral ng Pilipinas (Philippine Central Bank), where he is also scheduled to organize an anniversary

conference and present a paper in November 2019.



Thomas Stratmann

During the 2018-19 academic year, Thomas Stratmann has worked on several research projects. He wrote a paper based on the results of a 2016 voter turnout field experiment, testing the effect messages that appeal to norms to motivate citizens to participate in elections, and comparing the effect of these messages to those that remind citizens that whether they voted is a matter of public record. The latter type of messages were found to be most effective in motivating citizens to get out and vote on Election Day.

Dr. Stratmann is also continuing his work on laboratory experimental public choice. Here, he developed a theory of strategic voting when a committee member faces a tradeoff in whether to vote truthfully or not.

Dr. Stratmann then tests this theory in the laboratory.

Dr. Stratmann pursues another active research agenda in the area of law and economics. Here, he studies the effect of uncertainty of property rights on prices. In a separate project, he quantifies the effect of a court ruling regarding who is liable for damages from fires originated from railroad sparks.

During the 2017/18 academic year, Dr. Stratmann has published in the *Oxford Handbook of Public Choice*, *Oxford Economic Papers*, *European Journal of Political Economy*, and the *Journal of Economic Behavior and Organization*.

## Cites:

Kling, Dan and Thomas Stratmann. (2019). Repeated Treatment in a GOTV Field Experiment: Distinguishing between Intensive and Extensive Margin Effects. *Journal of Economic Behavior and Organization*.

Maaser, Nicola and Thomas Stratmann. (2018). "Election rules, legislators' incentives, and policy outcomes: Evidence from the mixed member system in Germany." *European Journal of Political Economy*.

Stratmann, Thomas. (2019). "Campaign Finance." In: *The Oxford Handbook of Public Choice*, Volume 2, Chapter 21. Editors: Roger D. Congleton, Bernard N. Grofman, and Stefan Voigt. Publisher: Oxford University Press.

Cheryl Litman and Thomas Stratmann. (2018). "Judging on thin ice: the effects of group membership on evaluation." *Oxford Economic Papers*. Volume 70, Issue 3, July, pp. 763–783.



Alex Tabarrok

In 2019, my short book, *Why Are the Prices So D\*mn High?* was published by the Mercatus Center. The book is a new examination of why prices increase over time and the Baumol Effect. It was well reviewed, including in the print edition of *The Economist* (June 20, 2019). I gave seminars on the book at the Mercatus Center and at the Cato Institute. I was also interviewed for a number of podcasts including *Macro Musings* with David Beckworth, *Rationally Speaking* with Julia Galef, and *The Not Unreasonable Podcast* with David Wright. I spoke at OLLI on recent issues in public choice in November.

I also published "Premature Imitation and India's Flailing State" (with S. Rajagopalan) in *The Independent Review*, which looks at how elites in a developing country, such as India, can adopt practices and institutions from developed countries that do not fit and cannot work in countries with far lower GDP per capita and much weaker state institutions.

One of the interesting areas I have been working on has been cryptoeconomics, a portmanteau of cryptography and economics, that studies and designs the incentives and mechanisms that govern a decentralized digital economy. What makes cryptoeconomics unique is that it focuses on mechanisms that work by combining cryptography and incentives.

Rajagopalan, S. and A. Tabarrok. 2019. "Premature Imitation and India's Flailing State," *The Independent Review*, 24: 2, pp. 165-186.

Helland, E., and Alexander Tabarrok. 2019. "Why Are the Prices So Damn High?" Mercatus Center. <https://www.mercatus.org/publications/healthcare/why-are-prices-so-damn-high>.





Yong Yoon

Yong Yoon has been active in organizing two sessions for the March 2019 Public Choice Conference in Louisville, KY. The sessions he organized are "Smith, Buchanan, and Ethics" and "Political Economy of the Korean peninsula."

Dr. Yoon has been working on two research projects. The first project is "Generalized Increasing Returns and Moral Community." He also has a book project on this topic and, this year, published two articles on this topic. One article is "The Extent of the Market and Ethics," which appeared in *James Buchanan: a theorist of political economy and social philosophy* (2019), edited by Richard Wagner. The second paper, "The Extent of the Market and

Buchanan's Work Ethic" appeared in *Freedom and Market* (May 2019), which is a journal run by the Korean Hayekian Society.

Dr. Yoon's second research project involves the economics (or political economy) of lying and propaganda. His motivation comes from the politics involved in economic sanctions and denuclearization. Dr. Yoon introduces maxmin-risk approach as well as the expected value approach in analyzing the decision-making processes. Under ambiguity, when the distribution of relevant variables are unknown, the decision maker switches to the Maxmin-risk criteria from the expected value approach. He hopes that this novel approach will offer insights into the psychology of the crowd. The question is which criteria a decision maker will use toward rumor, which is not knowledge.

#### Publications:

"Why America did not become a socialist country" in *Pennmike* (in Korean) April 1, 2019.

"The Extent of the Market and Ethics" in *James Buchanan: a theorist of political economy and social philosophy*, May 2019.

"The Extent of the Market and Buchanan's Work Ethic" in *Freedom and Market* May, 2019.



*Lisa Hill-Corley*

**Lisa Hill-Corley** supports of the main resident faculty at Carow Hall with administrative, visitor and office manager tasks. She also manages the main budget and grants for Center, the Wednesday Seminar and the Center-based grants which provide support to outstanding Public Choice scholars.

Lisa also coordinated another successful Outreach Conference in June. This year's conference at the Hyatt Arlington in Rosslyn and welcomed 41 participants, from across the United States and the world.

She is grateful for the support of Kashiff Thompson and Julie Roberts. Here's to a successful 2019-2020!



*Kashiff A. Thompson*

**Kashiff A. Thompson** assists with providing administrative support to resident Carow Hall faculty. Kashiff also serves as co-coordinator of the weekly Public Choice Seminar.

The Public Choice Center  
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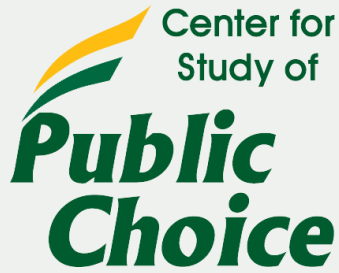
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The Center for Study of Public Choice is a unique research institution at George Mason University. It provides a single location where eminent scholars conduct innovative research, publish their findings and conclusions in a variety of print and electronic media, and teach the science of public choice. The Center builds on the groundbreaking economic and political science theories for which James Buchanan was awarded the Nobel Prize in economics. The Center draws both visiting and resident scholars and students from all over the world. Its faculty and researchers lecture and conduct seminars locally, across the United States, and abroad.

The Center serves as the institutional home for the Public Choice Research Program, which has developed and matured over the past half-century. Created in 1957 at the University of Virginia, the Center was initially called the Thomas Jefferson Center for Studies in Political Economy. In 1969, the Center was reconstituted at Virginia Tech under its present name. In 1983, the Center shifted its operations to George Mason University. The Center's alumni includes doctoral students from George Mason, Virginia Tech, and the University of Virginia. From its historical association with three of Virginia's major universities, the Center's academic footprint is often dubbed the "Virginia School of Political Economy."

Public Choice scholarship has profoundly influenced thinking in the scientific community and the formation of public attitudes. Economics traditionally focuses on the behavior of firms and consumers and how individuals interact in market settings. As a research program, public choice extends the tools of economics to analyze the behavior of voters, candidates, legislators, bureaucrats, judges, and expert economists themselves. Research by scholars at the Center also focuses on other non-market institutions such as religion, the family, clubs, and culture.

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