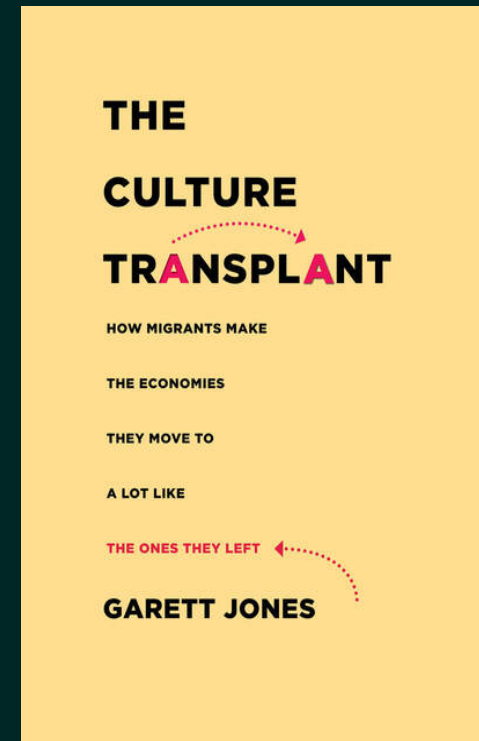
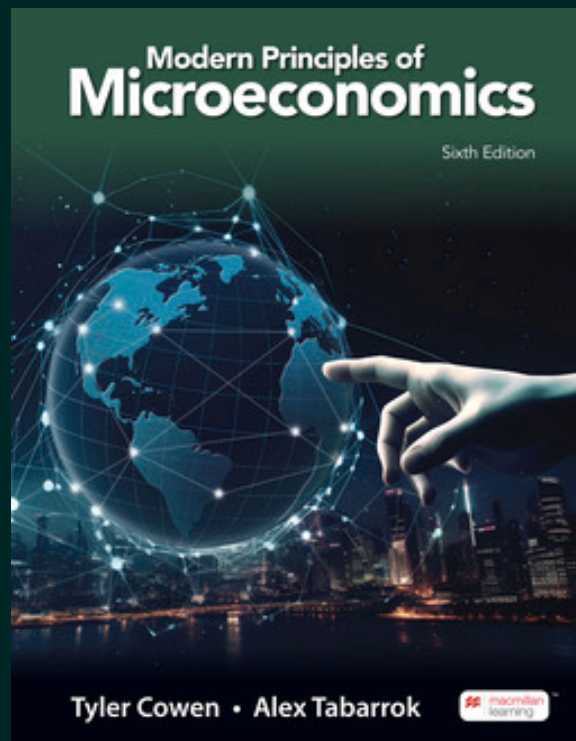


CENTER FOR STUDY OF PUBLIC CHOICE

CSPS



ANNUAL REPORT 2022-2023

MESSAGE FROM THE DIRECTOR



In recent years, the Center for Study of Public Choice, collaborating closely with the Mercatus Center and Emergent Ventures India, has expanded its India Outreach program. Our India Outreach program brings public choice and market insights to India and students and visitors from India to the Center.

Why India?

India, in my view, is one of the most important and pivotal nations on the global stage. While the importance of the United States is undeniable, the US is like an oil tanker, slow and difficult to shift course. India, on the other hand, feels fluid and rife with potential. Like the United States in the late 18th century, changes and reforms in India are occurring at an unprecedented rate and decisions made today will impact the next two hundred years.

Will India sustain its status as the world's largest democracy? Will it emerge as the liberal, economic giant of Asia, seamlessly integrating with the global economy? Or, will it tread a path similar to China, veering towards authoritarianism and illiberalism? These are pressing questions, especially at a juncture where India is undergoing profound transformations.

Economically, India is outpacing many established economies. Culturally, India, with its rich tapestry of history, is rediscovering its place in the world, weaving in modern threads with ancient patterns.

Given these dynamics, it's imperative for institutions like the Center to engage with India, to impart our knowledge and to learn. In August, for example, I spoke in Chennai about the largest experiment in private education in the world—the experiment currently going on in India. Some 30% of all students in India are being educated in private, unregulated, mostly for-profit schools. In some states, a majority of students attend private schools. Overall, India has more students in private education than any other country. The Indian experiment can benefit from the US experiment with private education and vouchers and the US can learn from India's experiment.

India also has a vibrant technology sector including an advanced payment system driven by India's Unified Payments Interface (UPI) and its unique identification system, Aadhaar. On our recent trip to Bangalore, I had the opportunity to discuss this system with one of its architects Pramod Varma along with Tyler Cowen and Vitalik Buterin, one of the designers of the Ethereum blockchain. The discussions about centralization, decentralization, privacy, security and the interactions with political economy were important and remarkable.

Meanwhile, at the Center in Fairfax we were pleased to arrange for Dr. Malvika Tyagi to visit for the year. Dr. Malvika Tyagi is an assistant professor of economics at the Dept of Humanities and Social Sciences at IIT Jodhpur, in Jodhpur Rajasthan. Professor Tyagi is a rising expert on the political economy of India. She has published papers on how political connections influence land investment and access to credit in India. She is also doing pioneering work on the issue of crime in India. It's been a delight to have her contribute and participate in the intellectual atmosphere of the Center.

We are thrilled about the progress of our India Outreach program. Moreover, the numerous publications, research papers, and other outreach initiatives undertaken by our dedicated faculty are equally commendable. I warmly invite you to delve into these achievements in our annual report.

Alex Tabarrok

July 2023



Alex Tabarrok, Vitalik Buterin and Tyler Cowen talking blockchains and public choice in India.

SPOTLIGHT ON GARETT JONES



***T*he *Culture Transplant* is the final book in your Singapore Trilogy—a trilogy which emphasizes the importance of government institutions in national prosperity. Could you elaborate on its contribution to the ongoing global debate about enhancing government quality and how it distinguishes itself in this discourse?**

The Culture Transplant shows that migrants typically bring their home countries' deep roots of institutional qualities with them. For example, regions in the New World settled by Europeans, especially those further from the equator, now resemble European institutions. This suggests that institutional quality often migrates with people.

In Southeast Asia, countries with significant Chinese migration, like Singapore, Malaysia, and Thailand, often display the deep roots of Ming Dynasty-level institutional quality. The proportion of Chinese descent in the population is a strong indicator of a nation's institutional strength. In the U.S., the Civil Rights movement's legislative successes in the 1950s and 1960s were partly due to the migration of African-Americans from the vote-restrictive South to the more inclusive North, where politicians were more responsive to their views. Social scientists have offered a lot of plans for improving government. Those plans almost always fail. They should try a method that works: welcoming people with better ideas.

You suggest a sort of cultural continuity between migrants' countries of origin and destination. How does this idea challenge or complement prevailing notions about the impact of migration?

The conventional view in economics is that migrants don't change government institutions at all. Economists treat a nation's government quality as a fixed factor, like the weather. Some economists then try to argue that migration only matters once, during the first migration wave, and then after that, government quality is sticky, pretty inflexible. But the beneficial effect of African-American migration to the North is just one piece of evidence that debunks that view. The alternative view that new voters eventually create new policies, a view that's central to *The Culture Transplant*, is a massive challenge to the status quo in the economics of migration. The status quo view in the economics of migration is that it's pointless try to improve government quality by welcoming migrants who are likely to hold better political views: in the status quo view, immigrants assimilate almost instantly, so there's little point to welcoming migrants with better political views.

But fortunately, *The Culture Transplant* is backed by robust evidence and common-sense intuition—which means that every democratic nation really can hope to improve government quality by welcoming better voters.

You emphasize the importance of maintaining the institutional quality of innovative nations like the I-7 countries. What are the global implications of getting migration policy wrong in these countries?

Most of the innovation in the world—measured by total patents, total research and development spending, and top scientific publications—happens in just 7 countries. I call them the I-7: Japan, China, South Korea, the US, Germany, France, and the UK.

The whole planet depends on the innovation that happens in those 7 nations, and government quality, institutional quality, is a major driver of a nation's level of innovation. That means that if poorly-chosen migration policy hurts government quality in those 7 countries even slightly, then the entire planet suffers.

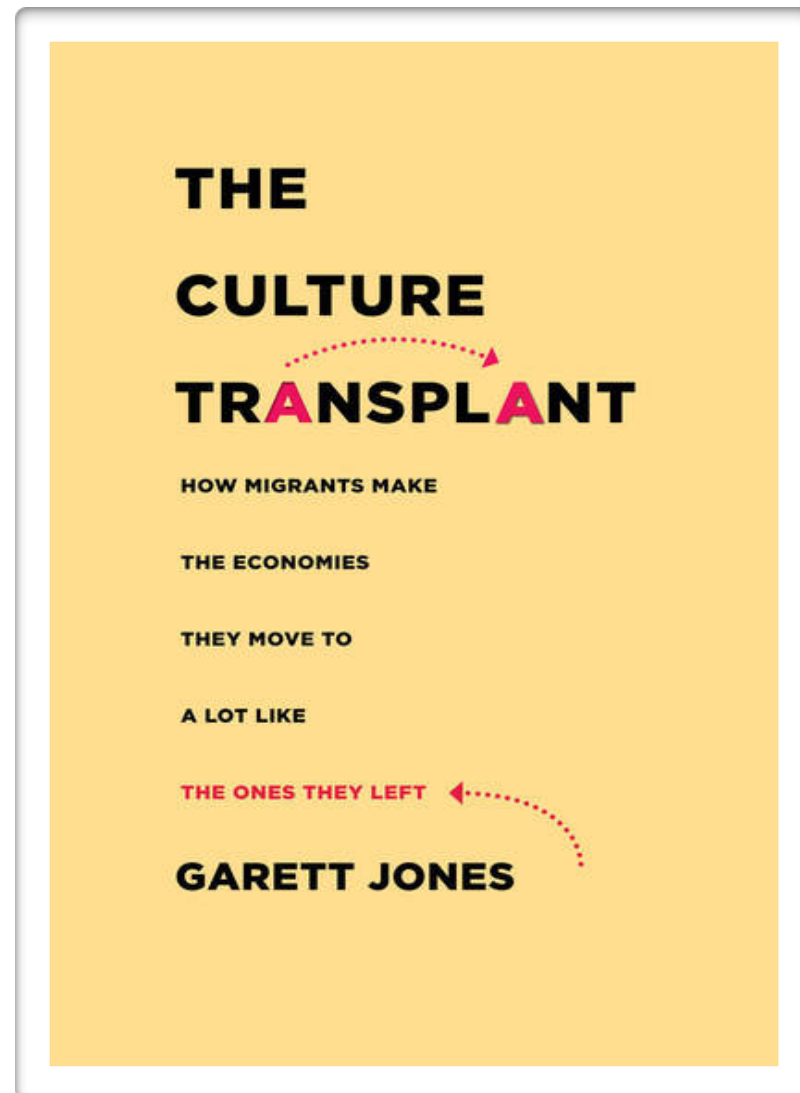
We'll need the next vaccine, and the next vaccine is probably coming from one of those seven places. It's time to treat the I-7 nations as humanity's R&D lab, and hire accordingly.

What are you working on next?

This fall I'm taking myself back to graduate school: I'm taking a graduate game theory class taught by my GMU colleague Cesar Martinelli and working through David Kreps's definitive textbook on the topic.

That's going to help me on my next book project, a study of practical oligarchy. So much of modern governance happens on boards, on small but powerful panels: the Supreme Court, the Fed, juries, the SEC, corporate boards. It's time for a theory of modern oligarchy, and for some practical advice on how to make our oligarchies—our governments of the few—function better.

Come to think of it, *Practical Oligarchy* would make a pretty good book title!



DISTINGUISHED HONORS



Center scholar Jonathan Schulz with *Economic Journal* managing editor Prof. Franck Portier

The Center for Study of Public Choice is honored to announce that our esteemed scholar, Jonathan F Schulz, has been awarded the prestigious 2022 Royal Economic Society (RES) Prize for his article “Kin Networks and Institutional Development” published in the *The Economic Journal*. The Royal Economic Society Prize is awarded annually for the best paper published in *The Economic Journal* by a committee consisting of the RES President, the Editor-in-Chief of *The Economic Journal* and one member of RES Council.

I am very excited about this prize. I ventured into this project 10 years ago drawing on history, anthropology, and economics; this prize is a great reward for this work and I am very honored. - Jonathan Schulz

The prize was awarded to this paper based on several significant considerations. Foremost, it enriched our understanding of the formation and success of participatory instrumental in dissecting the evolution of medieval communities and are supported by compelling empirical data. Lastly, the paper served as a demonstration of how the utilization of new data sources can powerfully engage with current economic debates in ways that have direct implications for policy direction. have the balance between representation and vigor correct? How can we design institutions to balance but respect both demands?



INDIA OUTREACH



As part of our India Outreach program, the Center was pleased to host Dr. Malvika Tyagi as a visitor. Dr. Tyagi is an assistant professor of economics at the Department of Humanities and Social Sciences, IIT Jodhpur, in Jodhpur, Rajasthan. Professor Tyagi is a rising expert in the political economy of India. She has published papers on how political connections influence land investment and access to credit in India. Her research has been published in journals such as *Constitutional Political Economy*, *Economic and Political Weekly*, and *Journal of Social and Economic Development*. In an April 2023 article published in *The Wire*, Dr. Tyagi discussed whether the overrepresentation of Muslims among India's convicts, relative to their population, can be attributed to socioeconomic, political, and police-related factors. She is also conducting pioneering work on the issue of crime in India. We have been pleased to have her participate in the Center's scholarship.

2023 PUBLIC CHOICE SUMMER OUTREACH CONFERENCE

JUNE 9-11, 2023

EXPLORING PUBLIC CHOICE: FROM THEORY TO PRACTICE

We are thrilled to highlight the return to a live format for the Public Choice Outreach Conference. This event serves as a comprehensive introduction to the field of Public Choice for students pursuing diverse career paths such as academia, business, and law. The conference featured a robust lineup of experts, including Alex Tabarrok on the fundamentals of Public Choice and the theory of voting, Shruti Rajagopalan on its applications in development, and Garrett Jones on constitutional economics, among others.

Attendees were equipped with the history, basic tools, and models for understanding voting, elections, government, and legislative organization. The conference also explored modern challenges and issues, teaching students how to apply Public Choice theory to a myriad of relevant topics, from economic history to inequality. Overall, the conference proved to be an enriching experience, offering valuable insights into the economics for students all over the world.

Here are a few comments from student attendees:

I can confidently say that this conference was the best I have experienced. The information was pertinent and relevant, and the faculty presenting at all of our sessions were engaging and relatable. Repeatedly, I was fascinated by their ability to relate to students and faculty, all at different points of their understandings of public choice theory. I did not experience a dull moment. I could not recommend this conference more highly. — Levi Edwards

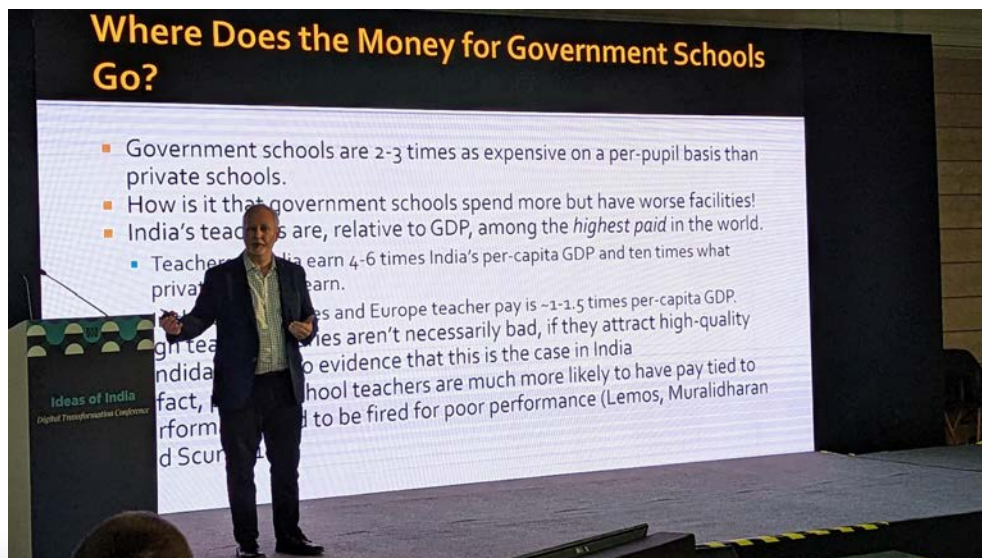
This conference truly helped me to understand more deeply how useful Public Choice economics is to doing the kind of work I want to do as a scholar. I have been exposed to public choice theories before and yet the conference was still highly useful, not only for learning from the lectures, but in making connections with other participants. — Jacob Hall

In cooperation with The Mercatus Center and Nilekani Philanthropies, Center faculty Alex Tabarrok and Tyler Cowen participated in a special three-day conference discussing ideas in Indian political economy. Alex Tabarrok spoke on India's incredible experiment in private education. Some 30% of all students in India are being educated in private, unregulated, mostly for-profit schools. In some states, most students attend private schools. Overall, India has more students in private education than any other country. The Indian experiment can benefit from the US experiment with private education and vouchers and the US can learn from India's experiment.

Among the other speakers were former GMU student Dr. Shruti Rajagopalan who spoke on the importance of India's 1991 liberalization. As Dr. Rajagopalan noted:

After decades of socialist planning, India's finance minister Manmohan Singh announced the country would embrace markets. It was a change that would leave no part of Indians' lives untouched and lift a quarter of a billion people out of poverty in the decades that followed.

Yet three-fifths of all Indians have been born since 1991. Having not experienced the crisis, nor the socialist regime that preceded it, they are unfamiliar with the dramatic impact of the 1991 liberalization and the lessons it holds for India's future. On its 30th anniversary, we seek to revive the ideas and policies that can continue to foster economic growth in India.



Center director Alex Tabarrok speaks on private schools in Chennai, India

FALL 2022 SEMINAR SERIES

The Seminar Series, now over 40 years old, invites scholars from around the world to share their work in a formal lecture, which is followed by a rigorous question and answer session.



Name	Affiliation	Presentation
Andreas Ferrara	University of Pittsburgh	The Other Great Migration: Southern Whites and the New Right
Desiree Desierto	George Mason University	Shipwrecked by Rents
Augustin Bergeron	University of Southern California	Informal Elites as Local Bureaucrats: How Working as a Tax Collector Improves the Performance of City Chiefs in the D.R. Congo
Mike Makowsky	Clemson University	Local Roots Create Monopsony Rents
Jamie Bologna Pavlik	Texas Tech University	Bribe-Switching
Hannes Malmberg	University of Minnesota	The Missing Middle Managers: Labor Costs, Firm Structure, and Development
Chris Vickers	Auburn University	The Effects of the National War Labor Board on Labor Income Inequality
Paul Dower	University of Wisconsin - Madison	Did Industrialization Increase Support for the Radical Left? Evidence from the 1917 Russian Revolution
Paul Winfree	Heritage Foundation	The Effect of Propaganda on Elections: Evidence From the Post-Reconstruction South
Maggie Jones	University of Victoria	The Determinants and Impacts of Historical Treaty-Making in Canada
Eduardo Montero	University of Chicago	On the Origins and Consequences of Communal Property Rights

SPRING 2023 SEMINAR SERIES



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Name	Affiliation	Presentation
Craig Palsson	Utah State University	Migration in the Early 20th Century Caribbean: Evidence from Dominican Residency Permits
Leticia Arroyo Abad	City University of New York - Queens College	The Migration Roots of Development: Colonization, Human Capital, and Institutions in the Americas
Michael Clemens	George Mason University	The effect of low-skill immigration restrictions on US firms and workers: Evidence from a randomized lottery
Alexander Lee	University of Rochester	War, Politics, and the Birth of Modern Bureaucracy
Sam Asher	Imperial College London	The Long-Run Development Impacts of Agricultural Productivity Gains: Evidence from Irrigation Canals in India
Andrew Young	Texas Tech University	Revolutionary Constitutions: Are They Truly Revolutionary?
David Cuberes	Clark University	The Effect of First Nature and Second Nature Forces on Urbanization: the case of Oklahoma (1889-2010)
Stephan Heblich	University of Toronto	Slavery and the British Industrial Revolution
Treb Allen	Dartmouth College	Urban Welfare: Tourism in Barcelona
Louis Rouanet	Western Kentucky University	Assignats or Death: The Politics and Dynamics of Hyperinflation in Revolutionary France
Viacheslav (Slava) Savitskiy	Harvard University	Innovation, the Church, and WEIRD Psychology





Donald Boudreaux

Donald Boudreaux continues, in the class-room, to introduce several hundred freshmen each year to principles of economics, as well as to explore with graduate students the work of Adam Smith. He lectures regularly for the Federalist Society and George Mason's Law & Economics Center. He writes a weekly column for *AIER* and blogs several times daily at *Cafe Hayek*.



Bryan Caplan

Dr. Caplan had another successful year. Most notably, he published two new books of essays: *Don't Be a Feminist: Essays on Genuine Justice*, and *Voters as Mad Scientists: Essays on Political Irrationality*. These are books three and four in an eight-volume series. Next in line: *You Will Not Stampede Me: Essays on Non-Conformism*; *Self-Help Is Like a Vaccine: Essays on Living Better*; *You Have No Right to Your Culture: Essays on the Human Condition*; and *Pro-Market AND Pro-Business: Essays on Laissez-Faire*. *Don't Be a Feminist* enjoyed national attention, including a full-hour long-form interview on *Tucker Carlson Today*.

Caplan has completed the script for *Build, Baby Build: The Science and Ethics of Housing Regulation*, and is working closely with the illustrator, Ady Branzei, to publish the book by its official release date of April 2024. This book will introduce readers to the last two-decades worth of research on the immense economic damage of zoning and land-use policies. As Caplan will explain, these policies do not merely

greatly inflate the cost-of-living in America's most desirable locations; they also sharply reduce workforce productivity by discouraging migration to high-productivity regions of the country. His hope is that a graphic format will "make seen the unseen" – to help readers appreciate the massive economic benefits of housing deregulation. Caplan has signed a contract with the Cato Institute to publish the book; if successful, this will be the first in an entire library of Cato educational graphic novels, each of which he will write or edit.

Caplan has also continued work on a new academic book, tentatively titled *Unbeatable: The Brutally Honest Case for Free Markets*. The book's central thesis is that standard textbooks greatly underrate the value of markets, and greatly overrate the value of government. The root of these errors is what psychologists call Social Desirability Bias, our desire to avoid speaking ugly truths. This prevents economists for praising markets for making ugly but vital trade-offs. It also leads economists to praise government policies that sound good without carefully investigating what the policies actually accomplish. Thus, economists have long praised government for "helping the poor," paying little head to the fact that most government spending is not means-tested. In spirit, *Unbeatable* is like Friedman's *Free to Choose*, but with a much stronger emphasis on the psychology of underrating markets and overrating governments. The writing is going well: In the Fall semester, Caplan completed the first chapter, "The Hyperbole of Laissez-Faire: What Economists Really Think About Markets and Government"; in the Spring semester, he completed the second chapter, "Tragically Underrated: Why Economists Are Wrong About Free Markets." He is now in the middle of the third chapter, "Absurdly Overrated: Why Economists Are Wrong About Government."

Further down Caplan's queue is *Poverty: Who To Blame*. *Poverty* combines economic philosophy with economics, sociology, psychology, social work, history, and anthropology 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 begins 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. He has now finished the introduction, chapter 1, and much of chapter 2.

In other news, Caplan's new blog, *Bet On It*, is flourishing. Hosted at Substack, *Bet On It* continues the interdisciplinary, contrarian Caplan was known for at EconLog from 2005-2022. The new blog already has almost 9,000 subscribers, and is still growing rapidly.



T Tyler Cowen

This year, I completed the first draft of a book on the history of economic thought, intended to be my take on Robert Heilbroner's *The Worldly Philosophers*. Numerous foreign translations of my book from last year, co-authored with venture capitalist Daniel Gross, have appeared. Titled *Talent: How to Identify Energizers, Creators, and Winners Around the World*, it was published in May 2022 and has received wide-ranging reviews.

Alex Tabarrok and I have done much of the work for the sixth edition of our *Modern Principles: Microeconomics and Macroeconomics* with Worth Macmillan. This text isn't merely a rehash of other books on the market; rather, it aims to provide a comprehensive overview of micro and macroeconomics from a GMU perspective. The book is now available in both physical and

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electronic forms. I continue to serve as the main economics columnist at *Bloomberg Opinion*, where I publish a column twice a week. For a full list and copies of these, see *Bloomberg Opinion*. In addition to *Bloomberg*, my columns (with a few exceptions) are now also published in *The Washington Post*, making me a bi-weekly columnist for both outlets.

Other

I have continued the *Conversations with Tyler* podcast series, releasing a new episode every two weeks. Recent guests include Glenn Loury, Peter Singer, Noam Chomsky, Seth Godin, Simon Johnson, Brad DeLong, Rick Rubin, John Adams, Ken Burns, Will MacAskill, Marc Andreessen, Thomas Piketty, and many others. The series has been covered by almost every major media outlet and has received several million online hits, with interest continuously growing.

Blogging

I maintain daily blogging of economic and other ideas on www.marginalrevolution.com, widely considered the leading economics blog. Our readership remains strong, and we've expanded our audience to the new site marginalrevolution.bulletin.com while continuing at our original location. I also use *MR* to showcase research being conducted at GMU by faculty members and graduate students, including Daniel Klein, Mark Koyama, Noel Johnson, David Levy, Robin Hanson, Bryan Caplan, and others. It has perhaps become the world's largest “window” into our domain.

Online Education

This past year saw the continuation of MRUniversity.com, a platform for online economics education developed in collaboration with Alex Tabarrok. We currently offer a dozen or so courses, including Development Economics, The Eurozone, Economics of the Media, The Economy of Mexico, International Economics, and International Finance, among others. Our “Principles of Microeconomics” class is now complete, as is our “Principles of Macroeconomics” course. We have over 300,000 YouTube subscribers and last year received more than 12 million unique views.



Vincent Geloso

During the last year, I published 11 articles in the *European Economic Review*, *Journal of Development Economics*, *Economic Journal*, *European Journal of Law and Economics*, *Social Science History*, *Southern Economic Journal*, *Journal of Public Finance and Public Choice*, *Social Science Quarterly*, *Journal of Government and Economics*, *European Review of Economic History*, and *Journal of Economic Behavior & Organization*. I completed an additional eight new papers that are under consideration. I am also completing five ongoing working papers. I authored more than 30 op-eds this year in both English (notably for the *Toronto Star*, *Montreal Gazette*, *National Post*, and *National Review*) and French (*Le Devoir*, *L'Express*, *Le Point*). I also authored three policy studies for think tanks. I became a senior economist and board member for the *Montreal Economic Institute*. Finally, I became a father to my second son (the best part of 2022-23).



Tim Groseclose

During the 2022-23 academic year, Tim Groseclose completed a paper, "The Coase Conjecture When the Monopolist and Customers Have Different Discount Rates." The editors of the journal, *Review of Industrial Organization*, invited him to revise and resubmit the paper to the journal. He wrote the foreword to a book by Roger Silk, *Politicians Spend, We Pay*. Working with grad student Harry Pan and colleague Tyler Cowen, he completed a paper, "Censorship of U.S. Movies in China," which is now being reviewed at various journals. He began work on another paper, "A Test of the Coase Conjecture Using Data from Sales of Online Books." He participated in a public panel on media bias with *Newsmax* anchor Greta Van Susteren and *Newsweek* editor Batya Ungar-Sargon.

Publication:

Foreword to *Politicians Spend, We Pay* by Roger Silk. 2022. Sterling Lifetime Press.

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Robin Hanson

The arrival of ChatGPT made more vivid to many the possibility that AI might eventually reach human levels or higher. Many “doomers” then got much media attention arguing that we will all die if AI development is not soon halted or heavily regulated. Hanson wrote many public essays arguing the opposite:

“We See The Sacred From Afar, To See It The Same.” *Seeds of Science*, June, 2023.

“Forager Facts.” with David Youngberg, *Seeds of Science*, August 2023.

“AIs Will Be Our Mind Children” *Quillette*, August 6, 2023.

“What Are Reasonable AI Fears?” *Quillette*, April 14, 2023.

“Can We Trust A.I. To Tell the Truth?” *Reason*, August 10, 2023.

“A.I. Isn't Much Different From Other Software” *Reason*, May 2023.

Debate with Jaan Tallinn, “Should We Pause A.I.?” *Reason*, May 12, 2023.

“Why Aliens Might Already Be On Their Way To Us” *Kurzgesagt*, April 11, 2023, 6.9M views.

“Why Alien Life Would be our Doom - The Great Filter” *Kurzgesagt*, Feb. 1, 2018, 26M views.



Ronald Heiner

Professor Heiner is writing a book about predicting when cooperation (C) will arise in one-shot Prisoners' Dilemmas, where standard Game Theory suggests such cooperation is unlikely. His theory integrates Signal Detection theory from behavioral psychology, including Receiver Operating Characteristic (ROC) curves. The probability of cooperation, denoted as $p(C)$, hinges on four key payoffs: the “Temptation” payoff (T) when one player defects while the other cooperates, the “Reward” payoff (R) when both players cooperate, the “Penalty” payoff (P) when both defect, and the “Sucker’s” payoff (S) when one player cooperates and the other defects.

Professor Heiner demonstrated that the probability of cooperation $p(C)$ is influenced by a specific boundary that determines when a contingent cooperator's average payoff at least breaks even compared to always defecting players. This “break-even” boundary is not influenced by the shape of the contingent player's ROC curve. His theory implies the existence of stable Nash equilibria

with contingent cooperators and offers testable predictions on the frequency of cooperation among these players based on the relative sizes of greed, fear, and cooperation payoff differences, corresponding to $(T - R)$, $(P - S)$, and $(R - P)$.

These predictions emerge because the break-even boundary adjusts its shape when the fear payoff difference $(P - S)$ increases relative to the greed payoff difference $(T - R)$ for a given cooperation payoff difference $(R - P)$. This leads to new predictions for the cooperation probability $p(C)$. For instance, $p(C)$ decreases more rapidly when $(P - S)$ increases compared to when $(T - R)$ increases. This varying sensitivity to fear and greed payoff differences resonates with behavioral patterns identified since Kahneman and Tversky's work on prospect theory.



Garrett Jones

This year, Garrett published *The Culture Transplant: How Migrants Make the Economies They Move to a Lot Like the Ones They Left*. *The Wall Street Journal* described it as a book with a message that is “at once highly provocative and a restatement of common sense: Poorly chosen immigrants can undermine a country’s success; cultures don’t disappear when people move from place to place.” Published by Stanford University Press, *The Culture Transplant* led to a long interview with Garrett in France’s *L’Express* (a prominent centrist magazine), an op-ed in the *UK Telegraph* making the case for nation-changing levels of high-skilled immigration, and appearances on many, many podcasts, notably Dwarkesh Patel’s *Lunar Society* and Coleman Hughes’s *Conversations with Coleman*.

C. Justin Cook, an economist at Tulane and a leader in the field of the macroeconomics of cultural persistence, reviewed *The Culture Transplant* for *The Developing Economies*, a scholarly journal. He wrote: “Jones has written an excellent synopsis of the deep roots of culture and the persistent effects of those deep roots... Jones’s greatest strength is in his ability to distill novel research into easy-to-understand concepts. This is no small task...he frames the problems in a way that promotes further curiosity and exploration.”

This book completes Jones’s Singapore Trilogy: like *Hive Mind* and *10% Less Democracy*, *The Culture Transplant* brings the power of modern quantitative social science to further the inquiry into the nature and causes of the wealth of nations. Each book explores the importance of government institutions in fostering national prosperity, and each has generated global debate over how to improve the quality of government.

FOCUS ON FACULTY



Noel Johnson

This last year, Noel had a great time continuing his research on the economic history and social impacts of disease. He received conditional acceptance from the *Journal of Urban Economics* for his paper “Pandemics and Cities: Evidence from the Black Death and the Long-Run” (with Mark Koyama and Remi Jedwab). The paper investigates the impact of the 14th-century Black Death, which killed forty percent of the European population, on the urban network. It establishes both that city-level Black Death mortality was random and describes the characteristics that caused cities to recover more quickly or more slowly from the demographic shock. Noel built on this work last year by writing a paper with two of his graduate students, Andrew Thomas and Alexander Taylor, on the role played by the Black Death in slowing the diffusion of the printing press. In that work, they find that cities that lost more market potential due to the Black Death were also significantly less likely to adopt the printing press in the fifteenth century. Noel enjoyed presenting these papers at places like the London School of

Economics, Texas Tech, Virginia Tech, and GMU's Microeconomic Policy Seminar.

In addition to his work on the Black Death, Noel also continued to develop his research on the mass smallpox vaccination campaign in Colonial India. In this work, with Ph.D. student Malik Hussain, they compiled a detailed data set covering smallpox vaccination rates across 200 Indian districts between 1890 and 1925. He and Malik are investigating various explanations for why vaccination rates were lower or higher, including mistrust of the British medical establishment. Noel is looking forward to continuing his work on this and other projects in the coming year.



Mark Koyama

My paper with Jesús Fernández-Villaverde, Tuan-Hwee Sng, and Youhong Lin, “The Fractured-Land Hypothesis,” was published in the *Quarterly Journal of Economics* in March 2023.

Another major paper, “The Political Economy of Status Competition: Sumptuary Laws in Preindustrial Europe,” with Desiree Desierto, is forthcoming in *The Journal of Economic History*. Other publications include an introduction to the “Special Issue on Culture, Institutions, and Religion in Economic History,” which I edited for a special issue of the *Journal of Economics*,

Behavior and Organization, and a book chapter on “Legal Capacity in Historical Political Economy” for the *Oxford Handbook of Historical Political Economy*.

Together with Desiree Desierto, we were awarded a Templeton Grant worth \$235k for a major project entitled “Origins of Liberty.” We are using the grant to work on several papers on the origins of liberal institutions in England from the Middle Ages onwards. We have presented several papers from this project at the PPE seminar series at GMU, SEA Meetings in Fort Lauderdale, ASREC in Boston in 2023, and at the University of Lincoln and Florida State University. I also gave research seminars at the University of Clemson and was an online keynote speaker for the 7th International Conference on Applied Theory, Macro and Empirical Finance.

I was also awarded an excellence in refereeing award by *Explorations in Economic History*. Finally, I received the good news that *How the World Got Rich* with Jared Rubin will be translated into Arabic, Greek, Japanese, Korean, Russian, and Spanish.



Peter T. Leeson

Peter T. Leeson is the Duncan Black Professor of Economics and Law at George Mason University and Editor of Public Choice. His research applies economics to nonmarket social phenomena.

Also in 2022, Leeson published, for example, “Hobo Economicus” (with August Hardy and Paola Suarez) in the *Economic Journal*, “A Normal Market” in the *European Economic Review*, and “Public Choice and Public Health” (with Henry Thompson) in *Public Choice*. Since June 2020, CGP Grey’s YouTube adaptation of Leeson’s book *The Invisible Hook: The Hidden Economics of Pirates* has been viewed more than 14 million times.

To find Leeson’s work or press coverage, visit his personal website: www.PeterLeeson.com.

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David Levy

The year was dedicated to exploring the contours of the economics of natural equality. Following the discussion of “Towards an Economics of Natural Equals: A Documentary History of the Virginia School” by David Levy and Sandra Peart in 2020, we pointed out that James Buchanan’s most interesting advocate might well be Lani Guinier. Her nomination for a position in the Justice Department was withdrawn by President Clinton after controversy arose over her anti-majoritarian views. She was clearly victimized by the widespread inability to appreciate the distinction between democracy and majority rule. When she articulated the principle of fairness she sought to defend, she quoted principles articulated by James Buchanan.

We published an article on Harriet Martineau, who is surely one of the most important advocates of natural equality in the nineteenth century. She used the term explicitly, and we know of no earlier use. Her economics differ from those of her more famous contemporaries, in part because

she engages in what Rutledge Vining of the Virginia School termed “hypothesis-seeking” when she travels. We’ll continue this exploration at the 2024 meeting of the Allied Social Science Conference.

At the 2023 Vancouver conference of the History of Economics Society, we presented a study of natural equality articulated by Frank Knight in his eulogy for Abram Harris, the first Black economist to teach at a majority-white university (Chicago). As we emphasized in our book on the early Virginia School, the “school” was founded by students of Knight, and his influence has lasted a long time. For Adam Smith’s 300th birthday celebration in St. Andrews, we are attempting to look at his work as a whole and describe his system of natural equality.

Some years ago, we discovered that the lecture series delivered by Michael Polanyi at the Thomas Jefferson Center in November 1961 included a lecture that was not part of the book “The Tacit Dimension,” which originated from the lecture series. That lecture, “The Vindication of Reality,” rediscovered Adam Smith’s principle of sympathy. We show how the Smith-Polanyi insight can help us understand the role of spectators in exchange.

Articles Published:

Peart, S., & Levy, D. (2023). Menger and Jevons: beliefs and things. *Review of Austrian Economics*, 36(2).

Levy, D., & Peart, S. (2023). Buchanan on the rules for public school funding: Additional thoughts. *Research in the History of Economic Thought and Methodology*. (In Press).

Levy, D., & Peart, S. (2023). The Under-Appreciated Economics of Harriet Martineau: Story-Teller and Traveler. *Independent Review*.

Levy, D., & Peart, S. (2024). An Unpublished Chapter in Michael Polanyi's *Tacit Dimension: The Role of Spectators in Exchange. Cosmos and Taxis*. (Chapter in Press).

Book Chapter

“Thomas Nixon Carver” in *The Palgrave Companion to Harvard Economics*. Ed. Robert Cord. Palgrave. (Publication year not provided).

Conference Presentations

The Hidden Hand of W. E. B. Du Bois: Frank Knight's Obituary of Abram Harris. Presented at the History of Economics Society: Vancouver.

“Adam Smith's System of Natural Equality.” Presented at Smith, Ferguson, and Witherspoon at 300, St. Andrews, Scotland.



Cesar Martinelli

During the 2022-2023 year, I continued my research work in the areas of political accountability, the political economy of media, and competition with few traders, leading to several publications in economic journals. Notably, I authored a single article titled “Accountability and Grand Corruption,” which was published in the *American Economic Journal: Microeconomics*. I initiated an ongoing project focused on the economic consequences of mass migration, in collaboration with Cynthia Boruchowicz and Susan Parker. Additionally, I began a project aimed at explaining the increasing prevalence of elections with very thin margins, in partnership with David Levine.

In November 2022, I chaired the Program Committee for the Latin American Meeting of the Econometric Society in Lima and co-organized the ETH Zurich Workshop on Democracy, scheduled for June 2023. Throughout the year, I continued my service as an Advisory Editor for

Games and Economic Behavior. I presented my research work in invited seminars at Michigan State, Rice, Carlos III University, CUNEF (Madrid), and several online seminars. I also presented at conferences including the Yale Conference on Governance, David Austen-Smith's retirement conference at Northwestern, the Meeting of the Society for Social Choice and Welfare in Mexico, the Latin American Meeting of the Econometric Society (LACEA-LAMES) in Lima, and the 8th Latin American Workshop in Law and Economics at Universidad de los Andes in Bogota.

FOCUS ON FACULTY

Publications:

Accountability and Grand Corruption. (2022). *American Economic Journal: Microeconomics*, 14(11), 645-679.

Responsive Democracy and Commercial Media. (2023). *Economics Letters*, 222, 110961. (Joint work with S. Ghosh, N. Jain, & J. Roy)



Natalya Naumenko

During 2022-23, I taught three different classes: Econ-630 Mathematical Economics, Econ-309 Economic Problems and Public Policies, and Econ-340: Intro to Mathematical Economics. I'm proud of Econ-309, I think students really learned something new in this class; satisfied with Econ- 340, it's a standard class, however, I will improve the delivery next time; I need to think how to improve Econ- 630 and make it more useful for graduate students.



John Nye

I have continued work on social mobility in Russia since czarist times to the present as well as worked as an advisor to the Philippine Central Bank.



Jonathan Schulz

This spring, I had the honor of being awarded the Royal Economic Society Prize 2022 for my paper “Kin Networks and Institutional Development.” The award ceremony could not have taken place in a better location than Glasgow, the hometown of Adam Smith.

Over the past year, I embarked on several large-scale projects. Together with Marco Fabbri, I received a grant from the Cultural Evolution Society to evaluate land titling reform in Benin. Currently, we are actively collecting data. Data collection is also ongoing in Namibia and the Democratic Republic of the Congo. This work aims to provide valuable insights into the influence of kinship on human behavior and psychology. Furthermore, as part of the Templeton grant, “Religion, Family Structure, and the Origins of Individual Freedom and Economic Prosperity,” we are building large-scale Latin corpora and utilizing computational text analysis to trace psychological changes through time and space, reaching all the way back to antiquity.

I was invited to present my ongoing work on kin-based institutions, individual freedom, and economic prosperity at conferences and seminars, including presentations at Stanford University, Lund University, University of Cologne, University of Louvain, APEE, and ASREC. I helped to organize the symposium “Thinking Through American Polarization” at GMU. Our paper “Strategic Competition and Self-Confidence” was accepted for publication in *Management Science* (with S. Brilon, S. Grassi, and M. Grieder)."



Thomas Stratmann

During 2022-2023, Dr. Thomas Stratmann published articles in the *Arizona Law Review*, *Journal of Risk and Financial Management*, and *Journal of Experimental Political Science*. One of his working papers was accepted for publication in the *Journal of Political Economy's* Microeconomics section. He also wrote a book chapter entitled “Lobbying in the United States.”

Dr. Stratmann specializes in the field of Experimental Public Choice. His current research includes the study of incentives for voting honestly when a voter can free ride on the unethical behavior of others. This research also involves exploring how different types of voting power, such as agenda-setting power, affect a person's willingness to vote for an unethical option.

FOCUS ON FACULTY

Dr. Stratmann maintains an active research portfolio at the intersection of Public Choice Theory and the field of Law and Economics. In one project, he examines the benefits, drawbacks, and determinants of Certificate of Need Laws. In another, he investigates the effects of rule-of-law guarantees and transparent tribal judicial systems on the income of Native Americans living on reservations. Relatedly, he is developing a Reservation Economic Freedom Index for approximately 100 Indian reservations in the lower 48 states. His research shows that greater economic freedom on reservations correlates with higher household incomes for Native Americans.

Dr. Stratmann serves as one of the four Editors of the *European Journal of Political Economy* and as an Associate Editor for the *Journal of Public Choice*. Additionally, he is the principal dissertation advisor for five Economics Ph.D. students at GMU.



Alex Tabarrok

I had an extremely productive year with five notable publications, including a paper in the *Journal of Development Economics*. In the JDE paper, my co-authors and I examine the political economy of building in Mumbai, India, and show that when new local politicians are elected, building construction slows down—most likely because it takes time to establish networks with politicians, i.e., links of bribery and patronage.

I also wrote a significant paper with Tyler Cowen on using GPT models to learn and teach economics. This paper hasn't been published in a journal and, due to slow journal publication times, probably never will be. However, it has already been cited multiple times, downloaded nearly 10,000 times, and has become a key part of the conversation on AI and teaching.

I wrote three papers on COVID policy: two with GMU students and one with noted Harvard economist Scott Komminers. The paper with Tucker Omberg, “Is It Possible to Prepare for a Pandemic,” was covered in a *Financial Times* column by Tim Harford on June 23, 2023. In addition to these academic papers, I wrote extensively for *Marginal Revolution*, now in its 20th year, and I published op-eds in *The Hill* and the *WSJ*. Marginal Revolution University, the online economics educational platform that I co-founded, also continues to grow rapidly.

As part of the Center's Outreach Program on India, I spoke in Chennai, India, about the largest experiment in public schooling. This experiment is currently underway in India, where, in some states, more than 50% of students attend private, free-market schools.

I was also very pleased to deliver the Milton Friedman Lecture at Marietta College and to be the keynote speaker for the Jepson Leadership Forum at the University of Richmond in February 2023. Among other talks, I was honored to speak at an Institute for Progress-organized conference on Operation Warp Speed, which included the co-head of OWS, Moncef Slaoui, and Alex Azar, the head of HHS under President Trump.

Publications:

- Bartley J. Madden and Alex Tabarrok, opinion contributors. 2023. "Congress Should Support a New Strategy for Approving Lifesaving Drugs." *The Hill*, May 19, 2023. <https://thehill.com/opinion/healthcare/4010782-congress-should-support-a-new-strategy-for-approving-life-saving-drugs/>.
- Bjoerkheim, Markus B, and Alex Tabarrok. 2022. "Covid in the Nursing Homes: The US Experience." *Oxford Review of Economic Policy* 38 (4): 887–911. <https://doi.org/10.1093/oxrep/grac033>.
- Cowen, Tyler, and Alexander T. Tabarrok. 2023. "How to Learn and Teach Economics with Large Language Models, Including GPT." *SSRN Scholarly Paper*. Rochester, NY. <https://doi.org/10.2139/ssrn.4391863>.
- Kominers, Scott Duke, and Alex Tabarrok. 2022. "Vaccines and the Covid-19 Pandemic: Lessons from Failure and Success." *Oxford Review of Economic Policy* 38 (4): 719–41. <https://doi.org/10.1093/oxrep/grac036>.
- Omberg, Robert Tucker, and Alex Tabarrok. 2022. "Is It Possible to Prepare for a Pandemic?" *Oxford Review of Economic Policy* 38 (4): 851–75. <https://doi.org/10.1093/oxrep/grac035>.
- Tabarrok, Alex. 2023. "'Random Acts of Medicine' Review: Paging Dr. Chance." *WSJ*, August 2, 2023, sec. Arts. <https://www.wsj.com/articles/random-acts-of-medicine-review-paging-dr-chance-877170ec>.
- Tandel, Vaidehi, Sahil Gandhi, and Alex Tabarrok. 2023. "Building Networks: Investigating the Quid pro Quo between Local Politicians & Developers." *Journal of Development Economics* 164 (September): 103138. <https://doi.org/10.1016/j.jdeveco.2023.103138>.



Yong Yoon

Yong Yoon organized a reading group on Buchanan's book *What Economists Do*. Seven people participated in the five sessions at Roberts House (formerly Buchanan House) during the semester. Three students wrote critical comments based on discussions and comments. The draft papers connected ideas in *What Economists Do* to the wider literature to which they were being exposed in programs at GMU. In the fall, we plan to read "Buchanan on Ethics and Economics."

CENTER STAFF



Lisa Hill-Corley: Lisa 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.

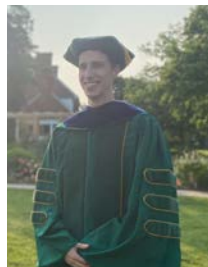
Lisa, along with Kashiff Thompson, managed Carow Hall through the busy 2023-2024 academic year. She helped to coordinate our return to our first in-person Outreach conference since 2019, and the Fall and Spring seminars, which returned live in Fall 2021.

She is grateful for the support of the faculty, Kashiff Thompson and Julie Roberts in these unusual times. Here's to a great 2023-2024!



Kashiff A. Thompson: Kashiff assists with providing administrative support to resident Carow Hall faculty. Kashiff also serves as co-coordinator of the weekly Public Choice Seminar. He grateful for the support of the faculty, Mrs. Lisa Hill-Corley, and Mrs. Julie Roberts. Here's to a great 2023-2024!

2022-23 CSPC DOCTORATES



Steven D. Brownell

Defended the dissertation: *Three Essays on Immigration: Labor, Politics, and Public Policy.*

Committee members: Dr. John V.C. Nye, Dr. Noel Johnson



Marcel Dumas Gautreau

Three Essays on Developmental States.

Committee Members: Dr. Christopher J. Coyne, Dr. Peter T. Leeson



Suria Dauod

Crisis and Stability: Examining the Effects of Remittances on the Macroeconomy.

Committee Members: Dr. Garrett B. Jones



Peter K. Hazlett

Essays in Applied New Institutional Economics & Public Choice.

Committee Members: Dr. Peter J. Boettke, Dr. Christopher J. Coyne, Dr. Tyler Cowen



Yue Deng

Three Essays on Opioid Crisis: Theory and Experiments.

Committee Members: Dr. Thomas Stratmann, Dr. Alex Tabarrok

Stephen A. Kunath

Microeconomic Systems as a Computational Science: A Computational Platform for Microeconomic System Simulation and Human-Subject Experimentation.

Committee Members: Dr. Thomas Stratmann

2022-23 CSPC DOCTORATES



Xuhao Pan

Three Essays on China's Film Industry and the Film Censorship System.

Major Professor: Dr. Timothy Groseclose



Daniel G. Solon

Three Essays on Ancestry and Political Economy.

Committee Members: Dr. Jonathan Schulz, Dr. Tyler Cowen



Chandler S. Reilly

Essays on the Political Economy of Defense R&D and Defense Costs.

Committee Members: Dr. Peter T. Leeson, Dr. Tyler Cowen



Deborah Martinez Villarreal

Nudging Vaccination in Latin America: Insights from Three Field Experiments in Behavioral Economics.

Committee Members: Dr. Daniel E. Houser, Dr. Tyler Cowen

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would like to thank the following contributors:**

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James C. Miller III

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The Bradley Foundation

***Thank you for your support
of the center!***

ABOUT THE CENTER

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. 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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