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51 Do other people have positive rights to actions another individual must provide? If so, where
52 do these rights come from? The chapters message seems to boil down to the assertion that
53 because people have potential power they *ought* to use it for good. The chapter attempted
54 to derive conclusions without ethical statements but it ultimately failed to derive an ought
55 from an is.

56 Chapter three, Hayek and Economic Policy, by Enrico Colombatto, is the most interest-
57 ing in the first section of the book. It is a thoroughly revisionist take on Hayek's political
58 economy. Rather than recognize Hayek as a champion of laissez-faire, Colombatto docu-
59 ments Hayek's many statist policy recommendations. Colombatto argues that Hayek's pol-
60 icy recommendations are a consequence of his poor conception of the rule of law which does
61 not allow him to meaningfully distinguish between state actions that support spontaneous
62 development and those actions which drive such development. Although Colombatto's read-
63 ing of Hayek is uncharitable at times, he does raise important points that should cause some
64 reconsideration of Hayekian constitutional political economy.

65 In part two, only one of the three chapters addresses the topic of whether legitimate
66 coercion is really legitimate. In it, Christian Barrere's argues that economic democracy is le-
67 gitimate because we jointly inherited our market institutions so each economic agent should
68 have collective rights in deciding how the market institutions is allowed to evolve. However,
69 his argument for joint inheritance does not hold up under scrutiny. He argues that because
70 the market is a social construction all of its constructors (participants) have rights in their
71 common product but he never provides any supporting argumentation for why joint produc-
72 tion implies a joint property right, it is simply asserted. The spontaneous order of the market
73 evolves from individual voluntary interactions where each party contracts what he is going
74 to give up and what he will receive in return. If neither party to a contract explicitly gives up
75 future decision rights to an economic democracy why does their trade obligate them to? Ap-
76 parently because their individual transaction generates a positive externality by contributing
77 to the market order. It is not at all obvious why once an individual has given society a po-
78 sitive externality that it conveys collective rights to govern that benefit and also potentially
79 reallocate the private benefits of the trade that generated the positive externality. None of the
80 supporting arguments in the chapter made the logic of his assertion any more compelling.

81 Although the other two chapters in this section did not address when coercion is le-
82 gitimate they are both worth reading. Paldam uses the Gastil index to study what causes
83 democracy. He finds evidence that economic growth causes democracy (not vice versa) and
84 that communist countries and Muslim countries are less democratic while Western countries
85 are more democratic (possibly because they have been wealthier longer). He finds no evi-
86 dence that Asian values are detrimental to democracy and finds that lack of democracy in
87 Africa occurs only because Africa is poor.

88 In chapter six Brosio and Zanola study the impact of democracy on violence in Columbia.
89 They find that voter turnout, the passage of time, and smaller inequality all decrease vi-
90 olence. The chapter is interesting and future studies might apply their modeling to other
91 violent democratic countries to see how robust their conclusions are.

92 The final section of the book considers democratic safeguards against illegitimate coer-
93 cion. Leonard Dudley's chapter explores this question by analyzing how language networks
94 impact the optimal level of government where public goods should be provided.

95 Louis Imbeau's chapter considers the potential for abuse of political, economic, and pre-
96 ceptorial power. Although I concur with Imbeau that dispersing power is important, his
97 chapter does a poor job of distinguishing between the potential severity of the abuse of dif-
98 ferent types of power. For example, he mentions minimum wage laws, income maintenance
99 programs, and mass education, as programs that disperse power (economic and percep-
100 tional) without considering that these very programs create political power in fewer hands

101 that might be able to abuse political power more than agents could have abused economic
 102 or perceptual power. He also includes an ill-informed attack on libertarians who wish to
 103 limit state power by delegating the use of protective force to private competing companies in
 104 the chapter's conclusion. He assumes libertarians only reach this conclusion because they ig-
 105 nore the potential for these companies to abuse their powers. But libertarian economists have
 106 studied the potential for abuse and some still maintain that competition between companies
 107 will limit abuse more than division of power within a single government. Imbeau's swipe
 108 ignores this literature (for a few examples see Cowen 1992; Friedman 1994; Sutter 1995;
 109 Caplan and Stringham 2003).

110 Checks and balances are put in place to prevent governments from abusing power. Yet
 111 these same checks and balances often prevent beneficial reforms. In chapter nine Feld and
 112 Schnellenbach explore how different forms of democratic checks impact labor market re-
 113 forms in Europe. They explore the how the presence of presidential or parliamentary, pro-
 114 portional or majoritarian, referendum or representative, and centralized or decentralized,
 115 systems impact the likelihood of beneficial reform and provide econometric tests of two of
 116 their hypothesis. This chapter addresses important questions about which systems are more
 117 likely to implement reforms if they confront a crisis. Future studies should build on this
 118 chapter and explore reforms in other sectors and in other regions of the world.

119 The final regular chapter of the book by Steunenberg and Antoaneta models the compli-
 120 ance and conditionality game of EU enlargement. They find that countries are less likely to
 121 continue reforms once they have a fixed accession date and that the EU rationally waits as
 122 long as possible in the accession process before announcing a date.

123 Donald Wittman's concluding chapter is one of the most interesting in the book. Rather
 124 than attempting to sum a conclusion from very loosely related chapters he sketches po-
 125 tential answers to a central problem confronting public choice scholars: If public choice
 126 assumptions are correct, why don't all governments coerce their citizens more than they do?
 127 Specifically, why don't militaries that have the power to coerce, coerce us more than they
 128 do? Why do some governments coerce more than others? Democracy by itself doesn't an-
 129 swer these questions because the people with the guns could ignore an election. Wittman's
 130 brief chapter suggests a couple of explanations:

131 Limited ability to exploit (either because one has limited power to coerce or because
 132 coercion itself does not produce much benefit to those with power) is a consistent
 133 theme throughout this chapter. Another theme is that preferences (culturally influ-
 134 enced or screened for in obtaining power) may induce greater or lesser exploitation,
 135 depending on the screening device and the nature of the culture (p. 263).

136 The inherent trade off between freedom and coercion associated with the establishment
 137 of a democratic government is an important research program for public choice scholars.
 138 Although this volume lacks focus, some of the volume's chapters make important contribu-
 139 tions that should be of interest to public choice scholars engaged in this research program.

142 **References**

143
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