

Cambridge University Press

978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:

The Legacy of Douglass North

Edited by Sebastian Galiani and Itai Sened

Frontmatter

[More information](#)

INSTITUTIONS, PROPERTY RIGHTS, AND ECONOMIC GROWTH

This volume showcases the impact of the work of Douglass C. North, winner of the Nobel Prize and father of the field of New Institutional Economics. Leading scholars contribute to a substantive discussion that best illustrates the broad reach and depth of Professor North's work. The volume speaks concisely about his legacy across multiple social sciences, specifically on scholarship pertaining to the understanding of property rights, the institutions that support the system of property rights, and economic growth.

Sebastian Galiani is Professor of Economics at the University of Maryland. He is a Fellow of the National Bureau for Economic Research and the Bureau for Research and Economic Analysis of Development and a member of the executive committee of the Abdul Latif Jameel Poverty Action Lab at MIT. He is also associate editor of the *Journal of Development Economics*. He has published numerous papers in leading academic journals, including the *Journal of Political Economy*, *Quarterly Journal of Economics*, *American Economic Journal*, *Review of Economics and Statistics*, *Journal of Public Economics*, *Journal of Development Economics*, *Journal of Public Economic Theory*, *Economic Inquiry*, and *Labour Economics*. Professor Galiani received his PhD from Oxford University.

Itai Sened is Professor of Political Science at Washington University in St. Louis and Professor of Public Policy at Tel Aviv University. He has authored or co-authored several books, including *The Political Institution of Private Property* (Cambridge University Press, 1997); *Political Bargaining: Theory, Practice and Process* (with Gideon Doron, 2001); and *Multiparty Democracy* (with Norman Schofield, Cambridge University Press, 2006). He has also published numerous articles in leading journals, including *The American Political Science Review*, *The American Journal of Political Science*, *The Journal of Politics*, *The British Journal of Political Science*, *European Journal for Political Research*, and *Journal of Theoretical Politics*. He received his PhD from the University of Rochester.

Cambridge University Press

978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:

The Legacy of Douglass North

Edited by Sebastian Galiani and Itai Sened

Frontmatter

[More information](#)

Cambridge University Press
978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:
The Legacy of Douglass North
Edited by Sebastian Galiani and Itai Sened
Frontmatter
[More information](#)

Institutions, Property Rights, and Economic Growth

The Legacy of Douglass North

Edited by

SEBASTIAN GALIANI

University of Maryland

ITAI SENED

Washington University in St. Louis

&

Tel Aviv University



Cambridge University Press
 978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:
 The Legacy of Douglass North
 Edited by Sebastian Galiani and Itai Sened
 Frontmatter
[More information](#)

CAMBRIDGE
 UNIVERSITY PRESS

32 Avenue of the Americas, New York, NY 10013-2473, USA

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning, and research at the highest international levels of excellence.

www.cambridge.org

Information on this title: www.cambridge.org/9781107041554

© Cambridge University Press 2014

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2014

Printed in the United States of America

A catalog record for this publication is available from the British Library.

Library of Congress Cataloging in Publication data

Institutions, property rights, and economic growth : the legacy of Douglass North / edited by Sebastian Galiani, University of Maryland, Itai Sened, Washington University in St. Louis.

pages cm

Includes bibliographical references and index.

ISBN 978-1-107-04155-4 (hardback)

1. Economic history. 2. Econometrics. 3. Institutional economics. 4. Law and economics.
 5. North, Douglass C. (Douglass Cecil) I. Galiani, Sebastian. II. Sened, Itai.

HC21.I58 2014

330.092—dc23 2013032184

ISBN 978-1-107-04155-4 Hardback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party Internet Web sites referred to in this publication and does not guarantee that any content on such Web sites is, or will remain, accurate or appropriate.

Cambridge University Press
 978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:
 The Legacy of Douglass North
 Edited by Sebastian Galiani and Itai Sened
 Frontmatter
[More information](#)

Contents

<i>Contributors</i>	page vii
<i>Preface</i>	ix
Introduction	1
<i>Sebastian Galiani and Itai Sened</i>	
1 The Contribution of Douglass North to New Institutional Economics	11
<i>Claude Ménard and Mary M. Shirley</i>	
2 Persistence and Change in Institutions: The Evolution of Douglass C. North	30
<i>John Joseph Wallis</i>	
3 The New Institutionalism	50
<i>Robert Bates</i>	
4 The Rules of the Game: What Rules? Which Game?	66
<i>Kenneth A. Shepsle</i>	
5 Institutions and Sustainability of Ecological Systems	84
<i>Elinor Ostrom</i>	
6 Land Property Rights	107
<i>Sebastian Galiani and Ernesto Scharrodsky</i>	
7 Constitutions as Coordinating Devices	121
<i>Gillian K. Hadfield and Barry R. Weingast</i>	
8 Culture, Institutions, and Modern Growth	151
<i>Joel Mokyr</i>	

Cambridge University Press
978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:
The Legacy of Douglass North
Edited by Sebastian Galiani and Itai Sened
Frontmatter
[More information](#)

vi	<i>Contents</i>	
9	What Really Happened During the Glorious Revolution? <i>Steven C. A. Pincus and James A. Robinson</i>	192
10	The Grand Experiment That Wasn't? New Institutional Economics and the Postcommunist Experience <i>Scott Gehlbach and Edmund J. Malesky</i>	223
11	Using Economic Experiments to Measure Informal Institutions <i>Pamela Jakiela</i>	248
12	Experimental Evidence on the Workings of Democratic Institutions <i>Pedro Dal Bó</i>	266
	<i>References</i>	289
	<i>Index</i>	323

Cambridge University Press
978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:
The Legacy of Douglass North
Edited by Sebastian Galiani and Itai Sened
Frontmatter
[More information](#)

Contributors

Robert Bates, Department of Government, Harvard University

Pedro Dal Bó, Department of Economics, Brown University

Sebastian Galiani, University of Maryland

Scott Gehlbach, University of Wisconsin–Madison

Gillian K. Hadfield, Law School and Economics Department, University of Southern California

Pamela Jakiela, University of Maryland

Edmund J. Malesky, Duke University

Claude Ménard, Centre d’Economie de la Sorbonne at the University of Paris

Joel Mokyr, Departments of Economics and History, Northwestern University; Eitan Berglas School of Economics, Tel Aviv University

Elinor Ostrom (1933–2012), Formerly of Indiana University, Bloomington, and Arizona State University, Tempe

Steven C. A. Pincus, Department of History, Yale University

James A. Robinson, Department of Government and IQSS, Harvard University

Ernesto Schargrofsky, Universidad Torcuato Di Tella

Kenneth A. Shepsle, Harvard University

Mary M. Shirley, Ronald Coase Institute

Cambridge University Press
978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:
The Legacy of Douglass North
Edited by Sebastian Galiani and Itai Sened
Frontmatter
[More information](#)

viii

Contributors

John Joseph Wallis, University of Maryland, National Bureau of Economic Research

Barry R. Weingast, Hoover Institution and Department of Political Science, Stanford University

Cambridge University Press
978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:
The Legacy of Douglass North
Edited by Sebastian Galiani and Itai Sened
Frontmatter
[More information](#)

Preface

In the winter of 2010, we realized that Professor Douglass C. North, our mentor, intellectual leader, and friend, was getting close to celebrating his 90th birthday in less than a year. We thought the time was ripe for a big birthday party. We took it upon ourselves to put together the intellectual program, through the Center for New Institutional Social Sciences (CNISS), raise the necessary funds, and, with the help of our remarkable assistant, Alana Bame, produce the event.

Many have gathered around the project. To begin, the leadership of Washington University gave us the blessing and some seed money. Then came the remarkable endorsement of the leading scholars in the field who volunteered to come to St. Louis, present papers, and contribute to this edited volume. The friends of CNISS, board members and many others, have followed with financial support and encouragement.

In a rather chilly weekend, the first weekend of November 2011, more than 300 Friends of Doug came from all over the world to celebrate his 90th birthday. And at the heart of the celebration, this volume, came to be. Two years later, after many versions and revisions, we have come to send the volume to print.

Many have made this rather unique volume come to life. We would need many pages to thank them all. We acknowledge a “short list” chosen by an intuitive but certainly not inclusive rule of thumb. Those not mentioned are not forgotten or overlooked.

We thank Alan Bame without whom none of this would have ever happened. We thank the Chancellor of Washington University, Professor Mark Wrighton, and the Provost, Professor Ed Macias, for their initial and wholehearted support and endorsement of the project.

We thank Lee and Alexandra Benham for many years of guidance and the quiet and unrelenting support from behind the scenes. We acknowledge

Cambridge University Press
978-1-107-04155-4 - Institutions, Property Rights, and Economic Growth:
The Legacy of Douglass North
Edited by Sebastian Galiani and Itai Sened
Frontmatter
[More information](#)

x

Preface

the very significant financial support of the Lynne and Harry Bradley Foundation as well as the Hirsch family, the Simowitch family, and a number of other CNISS board members that will remain unnamed.

We want to use this opportunity to recognize the hard work put in by our student assistant Daniel Guenther, Washington University graduate in Political Science of 2013, for his assistance editing, writing, and researching connected with the volume.

Last but not least, we are indebted to Scott Parris of Cambridge University Press for his initial endorsement of the project and his tireless work in assisting with the compilation of the volume; and to Elizabeth Case for her support in keeping us on track with the production of the volume.

Sebastian Galiani and Itai Sened
Winter 2013