

Index

accounting methods, 204 adjudication (of disputes), 25, 171-3; 270; information for, 181; pricing, 173-6; scale economies in, 173, 176; and thirdparty enforcement, 25 agreements: versus contracts, 27, 185; definition of, 79; in dictatorships, 41-2; and elders, 40; enforceability of, 244-6; enforcement by criminal organizations, 228, 234-5; enforcement of, 1-2, 19, 22, 33, 258-9, 267, 269; exchange, 32, 84-5; implicit versus explicit, 64; as interactions, 24; jurisdiction over enforcement, 93-4; versus mergers, 218; oral, 203; reassignment of, 88-90; self-enforcement of, 36, 246; and theft protection, 158-9 Alchian, Armen A., 15n7, 37n4, 66, 73n19, 74, 1<u>4</u>7 Allen, Douglas W., 15n7, 162n5, 173n24 Allen, William R., 15n7 Alsberg, Carl L., 92n19 anarchic societies, 201-2 anonymous exchange, 79-80, 86-8; and future-delivery trade, 87-8; and reassignment of agreements, 89-90 appointment duration (of protectors), 145-6, 261 arbitration, 175-6 arithmetic, 204 arms. See weapons assets, 15-16, 26, 157, 161; confiscation of, 41-2, 44, 61; evaluation of, 163; identifiable, 234; idiosyncratic, 166-8, 176, 179; theft of generic versus idiosyncratic, 169-71, 179; value of, 162, 166-7 authentication, 185 autocratic states, 183

autonomy, local, 7, 109–12, 196, 217–27; definition of, 110; and military forces, 227; in Switzerland, 136, 222; and theft protection, 111–12; and war residuals, 247

balance of power, 16; between clients and

protectors, 46, 47, 60-1, 119-20, 151,

159, 241-2; between collective-action mechanisms and protectors, 119-21; in dictatorships, 150; and effects of shocks, 250-4; between individuals, 45-6, 60, 243; in rule-of-law states, 122; between states and criminal organizations, 235-6 bans, 170 Barzel, Yoram, 7, 37n4, 41n8, 45, 72n16, 73n19, 96, 106n1, 119n9, 126, 130, 136n36, 140n4, 142n6, 151, 152, 153n22, 162n5, 224, 229n2, 238, 247n10, 248, 250 Basques, 30, 235 benefits, time paths of, 62-3 benevolence, 139 Bernstein, Lisa, 74-5, 196 bias, 47 Black Death, 205 borders: contract enforcement across, 210; delineation of, 148; disputes regarding, 171, 200-1; enforcement by criminal organizations, 76; extending, 209-12 and introduction of maps, 194 brand name commodities, 82, 87, 89 Brown, Horatio F., 274n3 Buchanan, James M., 3n4, 125n19 bureaucracy, 111, 204 buyer beware. See caveat-emptor transactions

cantons (Swiss), 136, 222



Index

capture, 16, 36, 53. See also confiscation; theft; transfers Catholic church, 31, 181, 228; jurisdiction of, 95; in medieval Europe, 70. See also popes; religious organizations caveat-emptor transactions, 86-7, 89; and anonymous exchange, 79-80; versus future-obligation transactions, 83-5; and information, 84 Chai, Sun-Ki, 115, 117n5, 135, 220 Cheung, Steven N. S., 15n7, 129n25 Chile, 254-5 China, 275 churches. See religious organizations city-states, 140, 208-9, 255-6, 258n12 clients: balance of power between protectors and, 6, 46, 61, 241-2; control of enforcers, 41; control of organizations, 108; and elders, 40; relationships with protectors, 5-6, 151, close-knit groups, 69-71, 77-8, 135 Coase, Ronald, 3, 15n5, 18n12, 161n4, 267 coercive force, 26 collective-action mechanisms, 2-3, 5; balance of power between protectors and, 119-21; and constraint of protectors, 26-7, 33, 41, 106-9, 113-16, 268; cost of, 115, 201; decision-making in, 124-9; definition of, 114; under dictatorships, 27, 136-7, 252-3, 263; and diseconomies, 46, 51; enforcement power of, 117-19; formation of, 116-17; lack of, in ruleof-law states, 131-4; in medieval Italy, 256; and mergers, 135-6; and military forces, 132; and non-compliance, 118; preventing confiscation of gains, 44; and protection specialists, 122, 268; punishment in, 116; and rent-seeking, 129-31; and revolts, 262-3; and shocks, 251-2; substitutes for, 131-4; takeovers, 121-4, 138; and treaties, 135-6 colonies, 111-12 commodities: attributes of, 84-6, 92, 97, 98; banned, 230-2; and brand name, 82, 87, 89; diversity of, 193; and economic rights, 6; evaluation of, 81-2, 205-6; exchange of brand-name, 87, 94, 187-8; generic versus idiosyncratic, 59; homogeneity of, 204; identification of, 187; information about, 80, 188; inspection of, 83-4, 87, 93; measurement of, 190-1, 204-5; specialization of, 95; standards for, 84-5, 88, 95, 190-3, 210, 269, 270. See also assets

communication, 188, 190, 204 compliance, 47-8, 49-50 condominiums, 151 confiscation, 41-2, 44, 61; and cost of protection, 149; in dictatorships, 41-2; by King John, 122-3; in mergers, 135; prevention of, 44-5; and stability, 123-4 conflict, internal, 241-3 congestion, 129-30 conquest, 211 consistency in rulings, 176-7 contracts: versus agreements, 27, 185; for commodity exchange, 94, 187-8; costs of, 43, 202-5; definition of, 79; delineation by, 168; and firms, 152; forward versus futures, 90-3; implicit versus explicit, 64; and jurisdictional overlap, 105; production of, 203; reassignability of, 89; versus reputation, 81-2; state enforcement of, 6, 23, 168-9, 231, 269; third-party versus state enforcement of, 23, 38; violent enforcement of, 231 contract trade, 6, 73n20, 191; cost of, 192, 210; definition of, 32; in dictatorships versus rule-of-law states, 27, 212, 263; and empires, 209-12; expansion of, 206-7; and mergers, 221; and standards, 95; third-party enforcement of, 221 cooperation: with aspiring dictators, 132; of military forces, 217-18 cooperative ventures, 39-40, 151 copyrights, 164n11 corporations, common-stock, 29, 151, 153, 272 cost-plus remuneration, 141, 143 costs: of conquest, 211; of contract trade, 79, 188–9, 202–5, 210; direct *versus* indirect enforcement, 42-3; of enforcement, 25, 28; of forming collective-action mechanisms, 201; of information, 64-5, 241; inspection, 81, 93; of interactions, 36; of long-term relations, 24; of non-compliance in collective-action mechanisms, 118; and power, 18; of production, 210; of protection, 149, 161-2, 199; of rights delineation, 178; of supervision, 147-8; third-party enforcement, imposition of, 34-5, 38-9, 42, 45; of transferring legal ownership, 32; of uprooting criminal organizations, 229; of winning war, 243 Crawford, Michael, 127n23 Crawford, Robert, 37n4, 73n19



Index

credit, 210 189n5, 242n4 crimes, 178-80 diversity: of commodities, 193; of criminal organizations, 23, 30, 75-6, individuals, 14, 117; and mandatory 229-32; balance of power between standards, 194-5; of third-party enforcers, 39 states and, 228, 235-6; information about, 229 doges, 123n15, 124, 261, 274 Dollinger, Phillipe, 31n30, 223n11 currency, 191, 192n10, 270 domain, 104 Durant, Will, 221 Dawkins, Richard, 27111 decentralization, 148 Durkheim, Emile, 229n3 delineation: of banned commodities, 230; economic rights: definition of, 15-16, 35; by criminal organizations, 236; scale economies to, 181 versus legal rights, 6, 186; and delineation, legal, 268-9; conditions for, protection of assets, 158; in rule-of-law 185-8; by contract, 168-9; by states versus dictatorships, 259 registration, 169 economies of scale. See scale economies delineation of assets, 179; by common elders, 40 Ellickson, Robert C., 62n2, 69n11, protectors, 164-5; by contract, 168-9; cost of, 161; and criminal justice, 70n13, 188, 194n14, 203 178-80; and dispute adjudication, empires, forming, 209-12 171-8; idiosyncratic, 166-8; and encroachment, 178-9, 179 insiders' theft, 162-5; and market value, enforcement of agreements, 1-2, 19, 22; 175; and outsiders, 160-2; and private caveat-emptor transactions, 84-5; costs exchange, 169-71; and protection, of, 25; by criminal organizations, 228; definition of, 35; within families, 28-9; 158-9; by registration, 169; and scale economies, 179 of future-delivery trade, 88; indirect, delineation of economic rights, 47, 68, 74, 43-4; jurisdiction over, 104; long-term 159-60, 172-3; and insiders' theft, relations for, 25; means of, 181; mixed, 162-5; between jurisdictions, 110; and 85-6; by organized crime, 234-5; role of vertical integration, 96-101; by the protection against outsiders; 160-2; and theft, 158; by third parties, 180-1 state, 269; between states, 244-6; thirddelineation of land, 73-4; and maps, 193-4 party (see third-party enforcement) delineation of legal rights, 162; cost of, England, medieval, 251-2 178; by protectors, 165-6 equilibrium. See balance of power Delphi, oracle at, 71 estimation of power, 243-4, 246; errors Demsetz, Harold, 66, 74, 147 in, 48, 242, 252 Dennett, Daniel C., 13 ethnic minorities, 70 European Union, 224n13 deposits, 91 DeSoto, Hernando, 63n5 evaluation: of assets, 163; of merchandise, despotic regimes, 212 205-6 dictatorships: absolute, 41, 259; balance evidence, standards of, 45, 67, 181, 182, of power in, 150; benevolent, 139; via 183 civil war, 253; and collective-action evolution, 271 mechanisms, 136-7, 252-3, 263; exchange, 17; agreements, 32, 84-5; costs enforcement of agreements, 41-2; and of, 81; origins of, 268; states' firms, 260; inefficiency of, 130-1; restrictions on private, 169-71 extortion, 25-6, 43-4, 67; definition of, 35 institutions of, 257; and mergers, 219-20, 221, 223-4; military forces of, 150n19; origins of, 6, 27, 245-6; as family, 28 residual claimants, 7, 139-40; versus federations, 222 rule-of-law states, 7, 27, 256-8, 261-5, Finer, S. E., 140, 274 270; stability of, 7, 63; support of, firms: and contracts, 152; and dictatorships, 260; residual assignment, 132–3; takeovers, 6, 113–14, 121–4 disputes: adjudication of, 25, 171-3, 270; 153; versus rule-of-law states, 260, 270; definition of, 35; and elders, 40; resolution of, 35-8 versus states, 150-4; transactions within, 93, 96-7, 98. See also vertical Dittmer, Timothy, 125118, 172123, integration



Index

fixed-wage remuneration, 141-2, 147, transactions, 84; about commodities, 80, 188; costless, 80-1; cost of, 48, 148 64-5, 241; about criminal organizations, flags of convenience, 233 foreigners, constraints on ownership by, 229; for dispute adjudication, 181; about power, 48, 240-1; requirements, 105-6 forms, standard, 203 64-6 forward versus futures contracts, 90-3 innovations, financial, 72 future-delivery trade: anonymity in, 87-8; inspection of commodities, 83-4, 87, enforcement of, 88; versus caveatemptor transactions, 83-5 institutions, 8-9, 69; formation of, 1; future obligation. See future-delivery individuals, prior to existence of, 14-15; trade legal, 262; versus organizations, 14n4; rule-of-law, 1; in rule-of-law states versus Gambetta, Diego, 234 dictatorships, 257. See also groups; gambling, 233 organizations German Hansa, 31, 95n24, 223n11 interactions: agreements as, 24; Germany, 254, 255 enforcement of, 24; between states, gold rush (California), 239 goods. See assets; commodities intermediaries, 88, 92, 98 Gould, John P., 241 irrigation, 204 Greif, Avner, 3, 94, 147n16 Israel, 196 groups, 69-71; mergers of, 135. See also Italy: Fascist, 255n8; medieval city-states, institutions; organizations 140, 255-6, 258112 Grossman, Sanford J., 99n25, 152 Jewish law, 180 guarantees: commodity, 98; protection, 142-3 Johnsen, D. Bruce, 224n13 juntas, 134 Hart, Oliver D., 99n25, 152 jurisdictions: over agreement enforcement, Hasidic Jews, 70 93-4; and common protectors, 54; and Hayek, Friedrich A., 80n1 cost imposition, 43; local and central, Hechter, Michael, 5n5, 115, 117n5, 135, 196, 225-6; overlap of, 104-5; state, 220 28-31; of third-party enforcers, 28-31, hereditary monarchies, 145n12, 260-1 55-6 Heyne, Paul, 35n1 Higinbotham, Harlow N., 89n15 Khalil, Fahad, 35n1 Hobbes, Thomas, 2, 3n3, 15, 271 Klein, Benjamin, 37n4, 73n19, 100-1, holdings. See property 118 Holt, J. C., 122n13 Hong Kong, 275 labor services, 32 horizontal integration, 148 land: delineation of, 73-4; uniformity of, human capital, 167-8 Landes, William M., 48n15, 241 ideology, 68, 70 Lane, Frederick C., 192n10 idiosyncratic assets, 166–8, 176, 179 leeway, 119 Leffler, Keith B., 118 impartiality, 177 imperialism, 211–12 legal institutions, 262 legal rights: absence of, 8; definition of, incentives, 37, 52-3, 147-50 income: of subjects in dictatorships, 157; versus economic rights, 6, 186; 257-8, 259; variability, 259-60 and protection specialists, 165-6; state delineation of, 23, 258-9 individuals, 5, 14; balance of power among, 45-6, 60, 243; diversity of, 14, legal systems, 1 117; protection needs of, 1; self-Lenin, Vladimir, 211n10 Levi, Margaret, 3 enforcement of, 60; and state, 22 industrial revolution, 210, 211 life expectancy, 63n4 inertia, 256 liquidity (of rights and obligations), 89 informal operations, 63n5 loans, 25, 36

local autonomy. See autonomy, local

information, 16-17, 268; in caveat-emptor



Index

long-term relations: for agreement minimal consumption, 140 enforcement, 19; and agreement Moore, Ellen Wedemeyer, 193 reassignment, 89; commitment not to renege, 18-19; and commodity narcotics, 230-1 attributes, 83-4, 92; cost of forming, National Grain and Feed Association, 24-5; between elders and tribes, 40-1; in enforcement of anonymous exchanges, neighbors: agreements between, 163; 80; in enforcement of forward contracts, common protectors for, 164-5, 90-1; and ideology, 68; and non-199-200; trade between, 93 contractual agreement components, North, Douglass C., 3, 4, 9, 14n4, 26, 92-3; and self-enforcement, 66, 269; 37n5,n6, 71n15, 114, 238 termination of, 75; third-party Nozick, Robert, 20, 20114 enforcement of, 25, 34, 40-1, 42-3, 68; between transactors, 93; and vertical observation (by enforcers), 67 integration, 96; versus violence, 38, 85 Olson, Mancur, 3, 4, 8, 9, 130, 113n1, looting, 212, 234, 240 134, 136n35, 139n3, 238, 272 losses, 142 Lueck, Dean, 66 organizations: versus institutions, 14n4; insurgent, 30; multistate, 109; state control of, 108-9; as third-party Mafia: contribution to Sicilian well-being, enforcers, 69. See also groups; 236n13; delineation of rights, 231; and institutions drug dealing, 233; as a "state," organized crime, 232-5, 263; enforcement Magna Carta, 20115, 64, 120, 122-3 of agreements, 234-5 mandates, 170 Ostrom, Vincent, 26, 131 maps, and delineation of land, 193-4 outposts, 207-9 market, 15, 32, 80-1, 189; definition of, outsiders: protection against, 160-2, 198; 32; transactions, 43, 152; value, 175 marriage: jurisdictions for, 28, 196; rape as protectors, 147 ownership, authentication of, 185, 194 within, 178-9; and scale economies to delineation, 181; self-enforcement versus third-party enforcement of, 32, parties to agreements: life expectancy of, 66, 86; and uniform contracts, 172-3 63n4; number of, 65-6 Marx, Karl, 271 partnerships, 151 Masten, Scott E., 27n24 patents, 164n11 Mayers, David, 142n6 peaceful expansion, 207-8 measurement: of commodities, 190-1, penalties, 118, 181, 182 plague, 205 204-5; excessive, 37; of power, 48-9, 242, 243-4, 246, 252 Plato, 271 memorization, 203 podesta, 146, 147n16, 150n18 Ménard, Claude, 34 police: and military forces, 148-9; private, 182n35 merchandise, evaluation of, 81-2, 205-6 mergers: versus agreements, 218; and polygraphs, 169 popes, 71, 261n17. See also Catholic contract trade, 221; of dictatorships, 219-20, 221, 223-4; and military church forces, 217-19; and protection, 199; of Popper, Karl R., 2n2 rule-of-law states, 135-6, 220, 221, Posner, Eric A., 45n13, 69n12, 182n34 power: abuse of, 43; assessment of, 48-9; 224; and vertical integration, 98-101; voluntary, 207-8, 217, 218, 219; and and collective-action mechanisms, 107, wealth disparity, 224 115; comparative versus absolute Milgrom, Paul R., 38n5,n6, 71n15, 114 military forces: and collective-action advantage, 121; concept of, 17-19; and criminal organizations, 75-6; definition of, 18, 35; direct versus indirect, 42-3; mechanisms, 132-4; complementarity of, 144-5; and local autonomy, 227; equality of, 16; estimation of, 48, 242, and mergers, 217-19; and police, 243-4, 246, 252; exclusive, 20-1; 148-9; scale of, 145; separation of, information about, 48, 240-1; 268; size of, 144-5; and technology, measurement of, 48-9, 242, 243-4, 246,

252; physical, 16, 39-40, 182; of

246



Index

protection specialists, 107, 238; of the individuals as, 247; partners as, 53; state, 20, 238; third-party, 22, 42-3, protectors as, 141, 143, 149; state as, 45-52, 103-4; threat of using, 239-40; 178, 270 resources for overthrowing dictators, and utility functions, 239-40; and vote allocation, 125, 127; and wealth, 238, 139-40 259. See also balance of power responsibility, assumption of, 97, 99 precedents, 177 restrictions: on business enterprises, predictability of a country's behavior, 151-2; on protectors, 143-7, 149-50 244-6 revolts, 262-3 production: cost of, 210; lines, 204; revolutionary movements, 235 vertical processes, 52-3 Riker, William H., 26, 131, 133, 196, property: attributes of, 171-2; protection 218, 219n2, 222n8 of, 160-1, 162-3, 199; protectors', 147; roads, 188–9 tax, for financing adjudication, 174-5; Rome, 189 value of, 175; and vote allocation, 127-8 Rousseau, Jean-Jacques, 13n1 property rights, 186, 267 rule-of-law states: balance of power in, 122; and collective action, 5, 113, protection: abstention from, 201-2; and 131-4; and contract trade, 212; versus collective-action mechanisms, 5; cost of, 161-2; scale economies to, 138, dictatorships, 27, 256-8, 261-5, 270; evolution of, 5; versus firms, 260, 270; 198-201, 239 frequency of wars among, 245; protectors: balance of power between clients and, 46, 47, 60-1, 119-21, institutions in, 257; mergers of, 135, 220-4; military forces in, 132; and rent-151, 159, 241-2; becoming dictators, 6; clients of, 5-6; and collective-action seeking, 272-3; stability of, 63; treaties mechanisms, 122, 268; common, 54-5, between, 207 199-200; and confiscation, 61, 115; rulers, successors to, 133 constraining, 26-7, 33, 44-5, 261, 264, 268; emergence of, 267; as Russia, 254, 255 employees, 141-3; and legal rights, Sass, Tim R., 126, 130, 152 scale economies: in adjudication, 173, 165-6; organizational discretion of, 149; power of, 238; remuneration of, 176; to contract trade, 95; and 141-3; as residual claimants, 141, delineation of assets, 179, 181; to enforcement, 25; to protection, 138, 143, 149; restrictions on, 143-7; 149-50; and scale economies, 138, 198-201, 239; to size of the state, 7; to 198-201, 239; takeovers by, 120, 138, standards, 194-6; territorial, 94-6; to 268; tenure of, 145-6, 261; and theft, use of power, 6-7, 239 self-enforcement, 36; of anonymous T 62 exchanges, 80; of cooperative ventures, public good, 127, 191, 270 punishment, in collective-action 39-40; of relationships, 59-60, 66; between states, 244, 246 mechanisms, 116 self-protection, of idiosyncratic assets, 167 quid pro quo condition, 169 Sened, Itai, 2n1 separability (of enforcement), 110, 111 separation of powers, 131 rape, 178-9 rationing by congestion, 129 shipping, 81, 95 raw materials, 211 ships, 30 reassignment of futures contracts, 92 shirking, measures to reduce, 5 registration, delineation by, 169, 186-7 Shleifer, Andrei, 182n35 shocks, 6, 248; effects of, 250-4; random, religious organizations, 29-30, 70-1, 107-8, 181, 196; jurisdiction of, 226-7. See also Catholic church side effects, the burrden of, 230-1 remuneration, 141-3, 147, 148 simultaneity of actions, 114 Singapore, 258 rent-seeking, 129-31, 272 reputation, 85; versus contract, 81-2; Skogh, Goran, 239n1 state loss of, 180 slavery, 167-8, 248 residual claimants: firms as, 153, 270; Smith, Clifford W., Jr., 142n6



Index

socialization, 13-14 social mores, enforcement by, 56-7 society, early history of, 13-14 specifications in agreements, 88, 91-2, 95, stability, 63, 176-7; and confiscation, 123-4; and frequency of wars, 245 Stalin, Joseph, 139n3 standardization: of commodities, 84-5, 88, 95, 190-3, 210, 269, 270; scale economies to, 194-6; of weights and measures, 204. See also uniformity "state of nature," 2, 5 states: balance of power between criminal organizations and, 228, 235-6; contract enforcement, 202, 206, 231, 269; control of organizations, 108-9; criminal organizations as, 232; definition of, 4, 20-3, 28; domain, 104; enforceability of agreements between, 244-6; expansion of, 205-8, 209-13; versus firms, 150-4; involvement in disputes, 177-8; jurisdiction of, 104-5; legitimate versus illegitimate, 30; mergers of, 201; and power, 238; protection of idiosyncratic assets, 166-7; as residual claimants, 154, 178; restrictions on private exchange, 169-71; scope of, 23-4, 32, 33, 177, 264-5; size of, 198-201, 264-5; thirdparty enforcement, 23 Stuart, Charles, 239n1 substitutes to state enforcement, 69-76 Suen, Wing, 153n22 supermajority voting rules, 125 supervision, cost of, 147-8 Switzerland, 135-6, 222, 261 takeovers: by dictators, 6, 121-4; by protectors, 120, 138, 268 taxation, 160; for dispute adjudication, 174-5; by King John, 123; and mitigation of side effects, 230; for protection, 166; for transactions, 76-7, Taylor, Michael, 23n21, 119n8, 201, 202, 259n13 team production, 74 Telser, Lester G., 89n15 tenure (of protectors), 145-6, 261 territorial continuity, 93, 94 territory, state, 22 theft: definition of, 35; of generic assets, 234; of generic versus idiosyncratic assets, 170-1, 179; insiders', 162-5; in merged states, 224; net return from prevention, 180; protection from, 53-5,

158-9; self-protection from, 162. See also capture third parties, delineation by, 180-1 third-party enforcement, 269; and adjudication, 25; in city-states, 208; and collective-action mechanisms, 26-7; confiscation by, preventing, 43-5; and contract trade, 221; costs imposed by, 34-5, 38-9; diversity of, 39; fees for services, 103; and incentives, 37, 52-3; jurisdiction of, 55-6; and long-term relations, 25, 34, 40-1, 42-3, 68; market for services, 37-8; non-state, 28, 69-76, 182; power of, 22, 42-3, 45-52, 103-4; and protection from theft, 53-5; by social mores, 56-7; and states, 22; substitutes for state, 262-4; value of services, 45, 47 threats, 160 Tirole, Jean, 17n9 trade: anonymous, 269; of banned commodities, 231; in city-states, 208-9; costs of, 188-9; and jurisdictional overlap, 104-5; markets for, 189; reputation versus contract, 81-2; roads for, 188-9; and states, 6-7 trade organizations, 74-5 transactions: caveat-emptor, 79-80; caveat-emptor versus future-obligation, 83-5; enforcement of, 79; within firms, 72; future-obligation, 86-7; jurisdiction over, 110, 152; registration of, 169; and the state, 33 transferability, 32 transfers: and brand names, 82-3; and impartiality of legal system, 177; opportunities for, 272-3; preventing, 128-9; via voting, 126; within-firm, 98 treaties, 207, 218, 223-4 Trotsky, Leon, 264n19 Tullock, Gordon, 3n4, 109n7, 125n19, 226n15 Umbeck, John, 2, 3, 14n3, 238, 239 unanimity voting rules, 125, 126-7, 128 uncertainty (regarding power), 240-1 uniformity, 172, 193; of raw materials, 211. See also standardization United States, 133 utility, 14, 239-40 utopia, 271 value: of agreements, 64; of individuals' holdings, 160-1; of interactions, 36; of

long-term relations, 40-1; present, 126; of scope of the state, 23-4; taxation of,



Index

variability, 153 Venice, 124, 192n10, 261, 273-5 vertical integration, 71-4, 96-101; definition of, 97; and local autonomy, 111; and scope of the state, 23-4. See also firms violence: in agreement enforcement, 3, 19, 22, 46; in contract enforcement, 231; and cost imposition, 42; criminal organizations' use of, 23, 231; definition of, 35; in dictatorships, 41; versus long-term relations, 19, 85; state use of, 4, 33, 104; third party use of, 22, 38, 44, 66-7, 95 Vishny, R. W., 182n35 voting, 124-8, 242; enforcement of, 124-5 wages, 5, 37, 154, 268 Waley, Daniel, 126n21, 146, 147n16, 150n18

Wallis, John, 121n12

Walrasian model, 15n5, 80 war, 243-4, 246, 248; aftermath of, 247-9; civil, 253; among rule-of-law regimes, 245; spoils of, 247-8 waste: in dictatorships, 130-1; and rent-seeking, 129 water rights, 195 wealth: claimants to, 141; and power, 259; versus power, 238; protectors', 142; subjects', 139-40; transfers, 152, weapons, 75, 107, 228, 230-1 Weber, Max, 20, 21n16 Weingast, Barry R., 3, 37n5,n6, 71n15, 114, 243 Williamson, Oliver E., 3, 37n4, 73n19, 100-1, 118 willingness to pay, 173 winning, cost of, 243 Wittfogel, Karl A., 21117, 11513, 260114 writing, invention of, 203 Wykes, Alan, 233n6