

The Elgar Companion to Public Economics

Empirical Public Economics

Edited by

Attiat F. Ott

Research Professor of Economics

Clark University, USA

President

The Institute for Economic Policy Studies, USA

and

Richard J. Cebula

Shirley and Philip Solomons Eminent Scholar

Armstrong Atlantic State University, USA

Edward Elgar

Cheltenham, UK • Northampton, MA, USA

Contents

<i>List of figures</i>	vii
<i>List of tables</i>	viii
<i>Notes on the editors</i>	xi
<i>List of contributors</i>	xii
<i>Preface</i>	xv
<i>Acknowledgements</i>	xvi
<i>Introduction and background</i>	xvii
Attiat F. Ott and Richard J. Cebula	

PART I THE PUBLIC ECONOMY

1 Public finance and the three branch model	3
<i>Richard A. Musgrave</i>	
2 The empirics of the three branch model	9
<i>Attiat F. Ott</i>	
3 Wagner's Law of increasing expansion of public activities	25
<i>Alan Peacock</i>	
4 Wagner's hypothesis: new evidence from the US using the bounds testing approach	30
<i>James E. Payne, Bradley T. Ewing and Hassan Mohammadi</i>	
5 Soft budget constraint and hard budget constraint: who is bailing out whom and why?	41
<i>Attiat F. Ott and Nirupama Devaraj</i>	
6 Public good provision by dictatorships: a survey	70
<i>Robert T. Deacon and Sarani Saha</i>	
7 Empirical evidence on the optimality and productivity of government services in sub-Saharan Africa	95
<i>Rita Babihuga</i>	

PART II PUBLIC SECTOR PROVISION

8 The supply side of democratic government: a brief survey	115
<i>Thomas Borcharding and Dong (Dan) Lee</i>	
9 Strategic interaction among local governments: a spatial analysis of spillover of public goods	131
<i>Soma Ghosh</i>	

10	Economics of conflict <i>Keith Hartley</i>	146
11	Defense expenditure and economic growth: evidence from cross-country panel data <i>Rati Ram</i>	166
12	The demand for military spending in Middle Eastern countries and Turkey <i>Julide Yildirim, Selami Sezgin and Nadir Öcal</i>	195

PART III RE-SHAPING PUBLIC SECTOR OUTCOMES IN A DEMOCRACY

13	Fiscal policy and direct democracy: institutional design determines outcomes <i>Lars P. Feld and Gebhard Kirchgässner</i>	215
14	Direct democracy and the Tiebout exit <i>Nirupama Devaraj</i>	242
15	An extension of the rational voter model <i>Richard J. Cebula and Gordon Tullock</i>	263
16	A preliminary analysis of the Presidential approval rating <i>Richard J. Cebula</i>	274
17	Line item veto: lessons from the literature <i>David Schap</i>	282
18	An analysis of the UN Security Council veto <i>Nevila Kote</i>	294

PART IV MODELS OF PUBLIC SECTOR BEHAVIOR

19	The political theories of deficits and debt accumulation <i>Vladislav Dolgoplov, Bonnie Orcutt and Attiat F. Ott</i>	325
20	The efficiency of representative democracy: a comparative study of two competing models <i>Trufat Woldesenbet</i>	343
21	What kept the Russian Federation intact? Testing the internal exit model of Buchanan and Faith <i>Vjacheslav Dombrovsky</i>	364
22	Secession and exit: an analysis of two competing hypotheses <i>Constantine Alexandrakis and Robert T. Jones</i>	388

	<i>References</i>	402
	<i>Index</i>	443