Changes in the Political Economy of State Governments in the Nineteenth-Century United States

Faculty Member: Naomi R. Lamoreaux

Proposal Description:

If the United States is to provide a model for political and economic development in other parts of the world, it is important to have a good historical understanding of the sources of U.S. success. Most studies of political institutions, for example, focus on the design of the Constitution. Yet many new nations have adopted constitutions modeled on that of the U.S. with, to say the least, disappointing results. This research project, which is joint with John Wallis of the University of Maryland, starts from the idea that the focus on the Constitution is mistaken and that scholars have missed the institutional transformation at the core of U.S. political and economic success: the adoption by the states (not the national government) of a set of constitutional revisions in the middle of the nineteenth century that prohibited state legislatures from enacting special charters of incorporation or any kind of special or local law. Before the enactment of these constitutional provisions, the bulk of the business of state legislatures consisted of enacting private bills that specifically benefited (or, less frequently, harmed) one or more individuals, or that affected a particular locality. Afterwards, laws had to be general. That is, they had to apply to broad categories of people or localities. We hypothesize that this transformation opened up the economy in ways that made it more competitive and dynamic and that is also made the political system more democratic. For example, those in control of state legislatures could no longer award monopoly privileges to favored constituents. Nor could they prevent opposition groups from adopting the most effective organizational forms and legal tools.

We already know a lot about the timing and content of the constitutional changes. I’m now requesting research assistants so that we can work systematically through the session laws for a selected group of states with the aim of analyzing the ways in state governments were transformed by these constitutional provisions and how the process of transformation played out over time. Preliminary analysis suggests that legislatures passed an enormous number of bills before the constitutional changes, that the vast majority of these bills were private or local, and that there was a shift over time in the composition of these bills toward those that meddled in the affairs of local governments. Preliminary analysis also suggests that after the constitutional provisions there was a dramatic fall in the number of enactments (accompanied by a general shortening of the duration of legislative sessions and a decrease in their frequency). There were also (increasingly unsuccessful) attempts to use categorization to accomplish some of the same ends as private and local bills. Once we have a good mapping of the changes in the nature of legislation over time and across the various stages, we can develop some explicit quantitative tests to sharpen our exploration of the political and economic implications of the changes. Depending on how long it takes to work through the session laws, there is also work to be done on the court decisions that interpreted the new constitutional provisions, on the manner in which the changes spread across states (patterns in the timing of adoption and the extent of imitation), and in the debates and voting patterns in the state constitutional conventions that enacted the reforms.

Requisite Skills and Qualifications:

No special skills are necessary. I am looking for research assistants who are interested in the ideas behind the project and are willing to work painstakingly through the session laws (available electronically through the database HeinOnline). The data will initially be coded in Excel spreadsheets.

Award: Declan Kunkel ’19
Joseph (Joe) Doran ’20
Catherine Peng '19

**Project Type:** Tobin RA

**Tobin Application Link:** [Tobin Application](https://economics.yale.edu/undergraduate/tobin/fall-2017/changes-political-economy-state-governments-nineteenth-century-united-states)

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