

Introduction to the Special Issue “Law in Relation to Macroeconomics”

By Richard E. Wagner* and Stefan Kolev**

In 1977, James M. Buchanan and Richard E. Wagner published *Democracy in Deficit: The Political Legacy of Lord Keynes*. At that time, Public Choice had barely gotten underway as a field of academic study. The Keynesian revolution in economics, on the contrary, had long dominated the teaching of economics, as Mark Blaug, the premier expositor of the history of economics in contemporary times explained in the fifth edition of *Economic Theory in Retrospect*. Despite receiving negative reviews from some of the leading economists of the time in the 1930s, Keynes and his policy prescriptions of financing governments with budget deficits came to rule legislative assemblies throughout the Western world for the decades to come.

Law faculties, moreover, participate actively in discussions of public policy in democratic regimes. Where law schools occupied the foreground of the construction of law and [micro]economics in the 1930s, not least in the Freiburg and “Old Chicago” Schools, so they have occupied the foreground of law and [macro]economics in the 2000s. The five articles presented here reflect the efforts of the authors to explore the possible synergies between law and macroeconomics. Just because synergies are present between law and microeconomics does not mean that synergies will be present between law and macroeconomics. After all, microeconomics is a theoretical framework that explains how societies achieve coordinated patterns of human activity without those patterns being imposed by political domination and evolve instead through free transactions.

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