Robert D. Tollison

In Memoriam

William F. Shughart II

My longtime friend, coauthor, and former colleague Robert D. Tollison passed away unexpectedly on October 24, 2016—just a month away from his seventy-fourth birthday. Bob was born in Spartanburg, South Carolina, and his academic career ended at Clemson University, a school he loved and had been employed by once before (in the mid-1980s), just down the road from his birthplace.

Bob graduated Phi Beta Kappa from Wofford College, went to the University of Alabama for a master's degree on the advice of a Wofford faculty mentor, and then moved on to the Ph.D. program at the University of Virginia (UVA), where he wrote his dissertation under James M. Buchanan, Nobel laureate in economics in 1986. While at UVA, Bob forged a lifelong friendship with Buchanan, but although he was Jim's student, he took his approach to scholarship over a prolific academic career more from Gordon Tullock. Like Tullock, Bob was an economic imperialist, applying the model of rational human action to such fields as sports (including horse racing, track and field, the Olympic Games, college basketball, and professional baseball), economic history, the history of economic thought, and religion, with special attention to the medieval Catholic Church and the Protestant Reformation.

If you peruse Bob's curriculum vitae, which lists several hundred published peer-reviewed journal articles and book chapters, thirteen books, numerous edited volumes, and other writings—including an influential "pamphlet" on the military draft written while he was still a graduate student and a principles of economics text that went

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through seven editions—you will see the breadth and depth of his contributions to the literature of economics. You will not see, though, that Bob's fourteenth book, on the market for modern art, will be out in 2017 from Oxford University Press (Ekelund, Jackson, and Tollison 2017).

Also noteworthy is that much of Bob's academic work was coauthored. Coauthorship was a hallmark of his research program. He adopted that model, I think, because he was a proverbial fountainhead of research ideas, so many that he could not possibly carry them out from start to finish by himself. So he collaborated with students, younger colleagues, and his academic peers, generously sharing his ideas with others in ways that helped launch and advance their own careers. Those ideas occurred to him while he was in the shower, while he was exercising, and while he puttered around on weekends; I can recall many Saturdays and Sundays when the telephone would ring, and it would be Bob wanting to talk about a new idea for a paper, almost all of which ended up being accepted for publication.

As Bob was entering the academy in the late 1960s (his first appointment as an assistant professor was at Cornell, beginning in 1969), empirical methods in economics were at the toddler stage of development. His comparative advantage lay in ideas, not in quantitative firepower, so Bob frequently asked others to help with formal modeling or econometric testing of theoretical predictions. He insisted on gathering and presenting empirical evidence on whatever idea he wanted to explore. It was not "pure" economic theory that interested him but rather the many and varied applications of that model.

Twice in his career Bob left the academy to become a bureaucrat, once as a senior staff economist at the Council of Economic Advisers (1972–1973) and later (1981–1983) as the director of the Bureau of Economics in the Federal Trade Commission (FTC). He was appointed to the latter post by his UVA classmate James C. Miller III, who had been selected by President Ronald Reagan as FTC chairman, the first professional economist to occupy that position.

Bob left the faculty of Texas A&M, where he had been the head of the Economics Department during my own graduate school days, to take the job in Washington. But that didn't stop him from continuing to engage in scholarly research. He wrote "Antitrust in the Reagan Administration: A Report from the Belly of the Beast," which was published in the first issue of the *International Journal of Industrial Organization* (Tollison 1983), and drew on his experiences with the FTC's bureaucratic policy process. This process required staff economists in the Bureau of Economics to comment on matters recommended for action to the five-member commission by the Orwellian-named Bureau of Competition or to its "sister" the Bureau of Consumer Protection, each comprising lawyers with strong career-oriented incentives to issue complaints against firms for violating section 5 of the FTC Act of 1914 (15 USC 45), which supplies the FTC with the authority to sanction "unfair or deceptive acts or practices in or affecting commerce."

What is more important, Bob involved his FTC colleagues in writing papers on various aspects of the antitrust law enforcement process, many of which were published subsequently in the collection *Public Choice and Regulation: A View from inside the Federal Trade Commission* edited by Robert Mackay, James C. Miller III, and Bruce Yandle (1983). His interest in antitrust and regulation predated the early 1980s. Nearly ten years before becoming the director of the Bureau of Economics, Bob wrote with William Long and Richard Schramm one of the seminal papers in that area of study, "The Economic Determinants of Antitrust Activity" (Long, Schramm, and Tollison 1973). That research project asked and answered the following question: Do the antitrust authorities target their law enforcement resources at industries imposing the largest welfare costs on society, as measured by the traditional monopoly-generated deadweight-loss triangle? It was found that the targets of antitrust complaints seemed largely to be random, so the empirical answer was "no." That initial conclusion has held up ever since.

If the stated, consumer-protection purposes of antitrust policy did not explain the behavior of the federal law enforcement agencies, what did? Again drawing on his experiences "in the belly of the beast," Bob naturally turned his attention to Gordon Tullock's insights on rent seeking and to existing public-choice theories of bureaucracy, embellished by overt political influences on the FTC and the U.S. Department of Justice transmitted through Congress, especially the oversight committees in the House and Senate that have jurisdiction (appointment powers and budgetary authority) over the two agencies. In his earlier published work (mentioned earlier) as well as that of younger scholars he influenced at the FTC, among whom I count myself and with whom he often collaborated, Bob launched a field of study that might be called the positive analysis of antitrust policy, which treats that area of the law as just another form of economic regulation vulnerable to "capture" by well-organized special-interest groups, including the rivals of the targeted firms.

Bob also made major contributions to the literature of rent seeking. He coedited with James Buchanan and Gordon Tullock the first scholarly volume in that area of research, *Toward a Theory of the Rent-Seeking Society* (Buchanan, Tollison, and Tullock 1980). Although the literature has expanded by leaps and bounds since then, his article "Rent Seeking: A Survey," published in *Kyklos* (Tollison 1982), has been reprinted many times and is still frequently cited.

A basketball player in high school, avid golfer, tennis player, and organizer of pickup basketball games with students and faculty colleagues later on (I think my ribs may never recover from his sharp elbows), Bob turned his lifetime interest in sports into important journal articles. "Crime on the Court" (McCormick and Tollison 1984) was instrumental in convincing the National Basketball Association to add a third referee to regular season and playoff games. Based on an experiment the Atlantic Coast Conference had conducted earlier, McCormick and Tollison reported evidence that the third referee did not cause more fouls to be called, thereby slowing games down and making them less interesting to fans. The evidence suggested instead that the presence of a third referee induced the players to commit fewer fouls (because those "crimes" were more likely to be detected by three pairs of on-court eyes), thus speeding up the pace of games and resulting in more points being scored. Later on, Bob, Brian Goff, and I examined empirically the impact of the "designated-hitter rule" adopted by the American League but not by the National League of Major League Baseball in 1973 (Goff, Shughart, and Tollison 1997). Although our main empirical result—relative to the National League, the designated-hitter rule elevated the number of hit American League batsmen by about 12 percent per season—was questioned by a few critics, the same finding, including evidence of explicit retaliation against offending pitchers, was reported by John Charles Bradbury (2007) using a much richer play-by-play data set and more sophisticated econometric methods than had been available to us in the early to mid-1990s.

As an expert witness for the plaintiffs in *Law v. National Collegiate Athletic Ass'n* (5 F. Supp. 2d 921 [1998]), Bob helped win a $66 million judgment against the college football cartel's practice of limiting the salaries of assistant football coaches artificially to $16,000 per annum, supposedly a cost-cutting measure for "amateur" intercollegiate sports programs. They now earn as much as $1.6 million per year in big-time programs, although I am sure that professors of English, history, and sociology aren't happy about that.

It is impossible (for me at least) to summarize in one short essay the impact that Bob Tollison had on me personally and on the economics profession at large. You must scan his curriculum vitae to see and believe it. If I have counted correctly, Bob supervised forty-five doctoral dissertations, read numerous others, and directed many more master's theses. During 1984–85, he served as president of the Southern Economic Association and a decade later (1994–1996) as president of the Public Choice Society. Following his time as a full professor and department head at Texas A&M (1974–77), Bob served as director of the Center for Study of Public Choice, first at Virginia Tech (1977–81) and then at George Mason University (1984–88). After Gordon Tullock stepped down as founding editor of *Public Choice* in 1990, Bob succeeded him, and the late Charles Rowley and he served as "joint coeditors" for "the rest of the world," while Friedrich Schneider was responsible for manuscripts submitted to the journal from Europe. That editorial team remained in place for fifteen years, when collectively they passed the editorial baton on to me. Closer to home, Bob was a member of the Independent Institute's board of advisers from 1986 until his untimely death.

For a more detailed analysis of Bob Tollison's scholarship, including contributions from many of his colleagues and students, I can do no better than point the reader to the special issue of *Public Choice* published as volume 142 in 2010. An especially noteworthy contribution to that festschrift, organized at Clemson University on the occasion of Bob's sixty-fifth birthday in 2007, is Nicole Verrier Crain and Mark Crain's article "Determinants of Publication Productivity: An Empirical Analysis" (I preferred the paper's original working title, "Robert D. Tollison: An Empirical Analysis," but that title got lost somehow in the publication process). Crain and Crain (2010) do a masterful job in documenting Bob's research production function and showing the depth and breadth of his scholarly interests, his ability to contract (and recontract) with collaborators who could help bring his research topics to fruition, and his insistence on positive economic analysis that confronts theory with evidence.

Many of Bob's colleagues and students with whom I have spoken since his passing have reminded me that he often told students and colleagues frustrated by their work's lack of impact on public policies, "You, too, are part of the [political] equilibrium." Bob himself clearly was as an expert witness in antitrust proceedings. I prefer another phrase that I heard often from his mouth: "Ideas don't matter; only interest-group influence does." That conclusion is depressing but grist for the scholarly mill that explores the contours of special pleaders' influence on the policy process.

Bob's passing leaves a void in the economics profession as well as in the hearts of his many academic and personal friends. He set standards for scholarship, intellectual honesty, and generosity that few others can possibly attain. That mark is out there, and as Bob wrote in his last, typically one-sentence email to me last summer, "Let's work on this."

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