

Robert D. Tollison and the economics of politics

Roger D. Congleton¹

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Abstract Robert Tollison was the most prolific of the second generation of public choice scholars from the Virginia School. Tollison's many applications of the economic approach to politics, law, regulations and religion demonstrate that narrow self-interest can account for a broad range of political, economic, and other social phenomena. In addition, Tollison was a talented editor, an inspiring teacher, and effective administrator. He edited several influential books and was coeditor of the journal *Public Choice* for 18 years, increasing its prominence and impact. He taught several generations of students, supervised 49 Ph.D. dissertations and coauthored papers with most of his students to help them launch their academic careers. He was director of the Center for Study of Public Choice during its glory days at George Mason University.

1 Tollison the scholar

Robert Tollison was a remarkably productive man, combining careers as scholar, public servant, mentor, and economic consultant in a manner that he made look easy. He was nearly always informal, relaxed, and easygoing. Together with his modesty, this made his accomplishments easy to overlook. In this short memorial piece, I provide a brief overview of his contributions to social science, which were substantial and multidimensional.

As a first step, it is useful to reflect on Tollison's scholarly output. His curriculum vitae lists 13 books, 22 edited collections, and seven editions of a two-volume principles of economics textbook. It lists 240 papers in economic journals, 43 notes in similar journals,

✉ Roger D. Congleton
roger.congleton@mail.wvu.edu

¹ West Virginia University, Morgantown, WV, USA

and 177 book chapters. About 20 of his papers and notes appear in the top-five general interest journals in economics.¹ The breadth of his research is extraordinary, spanning public choice, public finance, industrial organization, law and economics, history of economic thought, the economics of religion, the economics of sports, and also includes pieces on language, animal rights, coauthorship, and polygamy. To be fair to his coauthors, of which I am one, nearly all his papers are coauthored, which contributed to the breadth and depth of his research program. Nonetheless, even divided by two, Tollison's body of work is among the largest in economics.²

The breadth and depth of Tollison's research resembles that of the major figures of the first generation of public choice scholars, who might be regarded as his role models: James Buchanan, Gordon Tullock and Mancur Olson. His model of man and general approach most closely resembles that of Gordon Tullock, but he focused on different research questions and included statistical results as well as insightful theories and historical narratives. If the impact of Tollison's body of work is somewhat less than that of the Virginia school's founders, it is not because it was less ambitious, creative, or well placed.

There are two possible explanations. First, working in the shadow of Buchanan and Tullock caused his work to attract less attention. The founders were a very tough act to follow. Second, a good deal of his research is "politically incorrect," in that it directly challenged conventional, noneconomic explanations of various phenomena in politics, economics, sports and religion.

The next section provides a short overview of Tollison's main contributions to public choice research, which include his methodological commitment to narrow self-interest models of man and to providing statistical evidence that supported the many novel implications of that characterization of human interests. The section on Tollison's scholarship is followed by a few personal reflections on Bob the man and colleague.

2 Tollison's interest-group explanation for public policy

The narrowest of the self-interest models asserts that men and women are driven mainly by the pursuit of wealth, the more wealth the better. From such a perspective, wealth-maximization is not simply a model of the behavior a small number of greedy individuals operating within a particular type of society, but a universal principle of human behavior, one that dominates all others. This is not as far-fetched a model of human action as it might appear. Wealth increases one's prospects for success in many biological and social contexts, and it is very often a prerequisite for or complement to other ends that an individual might pursue. The former implies that such an approach to life will be supported by evolutionary forces, and the latter implies that it can be used to analyze the behavior of persons with broader goals than wealth alone. This model of man differs from that of

¹ *American Economic Review*, *Journal of Political Economy*, *Quarterly Journal of Economics*, *Review of Economics and Statistics*, and *Rand Journal of Economics*. In addition, Tollison has dozens of papers in respected journals such as *Public Economics*, *Journal of Law and Economics*, *Journal of Legal Studies*, *Journal of Economic Behavior and Organization*, *Southern Economic Journal*, *Public Choice*, *Kyklos*, *Journal of Institutional and Theoretical Economics*, and *European Journal of Political Economy*.

² I have been told by several of his coauthors that the extent of his contribution to their joint pieces varied widely. In my case, he was the lead editor of an edited volume (Tollison and Congleton 1995) and secondary contributor on a short paper (Congleton and Tollison 1999). The idea that motivated our short paper was mine, but he recognized it as a potentially publishable idea and suggested that outlet for it, which are often the most important parts of an academic project.

Buchanan, for example, who nearly always included ethical and personal development in his models of man.

Tollison was an avid employer of the wealth-maximizing model and pushed the boundaries of its application to new areas of political science, economics and sociology. This is not to say that his work never took account of other aims that men and women might have, but to say that wealth maximization was the center of gravity in his approach to social science. Typical of Tollison's economic approach to politics and most everything else are the following:

We treat a political office as a productive asset which is expected to yield a flow of benefits. Individual expectations concerning the exact nature of the benefits of holding an office will typically be quite diverse. We assume that candidates attempt to increase their chances of capturing these benefits through campaign spending. Campaign expenditures can thus be viewed as attempts to purchase the temporary property rights to a political office. (Crain and Tollison 1977, p. 205)

In the interest-group theory, the supply of legislation is an inverse demand curve. Those who "supply" wealth transfers are individuals who do not find it cost effective to resist having their wealth taken away. In other words, it costs them more than one dollar to resist having one dollar taken away. (Tollison 1988, p. 343)

Offices become assets, unorganized taxpayers become suppliers of transfers, coalitions become cartels, and political ambitions become exercises in maximizing the present value of the rents associated with elective or appointive office.

Mapping conventional political terms into economic ones is not a mere shift in vocabulary. It reinterprets the goals of the persons involved and thereby the meaning and purposes of the political enterprise. The economic characterization of politics thus has implications that differ from more idealistic or sociological theories, many of which can be subjected to statistical tests. Tollison and his many coauthors were pioneers in both the economic interpretation of day-to-day politics and in subjecting its implications to empirical tests. By doing so often and on so many topics, Tollison expanded the frontier of public choice theory and arguably invented empirical public choice, or at least established what would become its most common methodology.

There are too many interesting instances to summarize here. I include three to illustrate some of the controversial conclusions supported by his research. Consider an early application of his economic methodology to analyze policies with respect to immigration. Tollison and his coauthors conclude that:

Immigration enforcement thus operates in much the same fashion as other regulation. It mediates between interest groups, in this case domestic producers and labor. Because the distribution of respective gains and losses shift over the business cycle, immigration enforcement activities vary predictably, abating during economic expansions when output and wages are rising, and becoming more vigorous during economic downturns when output and wages are falling. (Shughart, Tollison and Kimenyi 1986, p. 97)

From the economic perspective, border control is not mainly about the rule of law, the importance of national culture, or Tiebout competition, rather it is about shifts in the balance of opposing interest group efforts to manage the price of labor.

A similarly controversial conclusion was reached with respect to the antitrust actions of the Federal Trade Commission (FTC):

Our results lend support to a private-interest theory of FTC behavior over the entire period that we investigated. If anything, the pork barrel relationship between Congress and the commission became statistically stronger during the reform period of the 1970s. We would claim those observers who see the FTC as acting in more congruence with public interest (whatever this may mean) over this period have been misled in their analyses. In contrast to Katzmann, in particular, we would not be so hasty in discarding budget-maximizing or congressional influence hypotheses about regulatory bureau behavior. The tendencies that we describe are hard to explain with other models. (Faith, Leavens and Tollison 1982, p. 342)

At the margin, antitrust actions are not driven by the social welfare concerns taught in economics classes but rather reflect interventions by US senators and representatives to advance the interests of local industries important to their constituents.³

Tollison's writings on the history of the Catholic Church with Robert Ekelund are similar in spirit and what might be called "political incorrectness."

The Roman Church became a monopoly but it always had "fringe competition" from other belief systems, that is, from Jews, pagan sects, other forms of Christianity, and of course, from nonbelievers. As a dominant firm, however, it had the power to set the full price of membership in the Christian church. The competitive producers were "price takers," not "price makers," and their competitive activity had to take place around the price that was set by the Roman Church. Thus, we say that it was a monopoly in all essential respects regarding the behavior and outcomes of its members. (Ekelund and Tollison 2011, p. 10)

Tollison and Ekelund do not deny the existence of spirituality but focus on the nitty gritty of becoming a dominant religious organization, which according to their research has little to do with faith and much to do with network economies and barriers to entry.

Take a conventional public policy or political process, recast it in terms of narrow interests and economic models, find data that allow some of the main implications of the economic interpretation to be subject to statistical tests, write up the theory and results in plain, direct prose. There are by now thousands of pieces written in this general format, and Tollison and his many coauthors deserve much of the credit for establishing that useful, tractable methodology and for challenging conventional idealistic theories of the basis of government policies, regulation and law enforcement.

Tollison and his coauthors provide a very broad range of evidence that politics is—or can be interpreted as being—motivated by pecuniary interests. Interest groups seek and frequently obtain higher profits, subject to various political and economic tradeoffs of regulators and key congressional committees with the authority to adopt rules and regulations. Pivotal government officials, in turn, profit from various rents associated with their offices and from campaign contributions that increase the probability of keeping those rents. That Tollison and several of his coauthors served in the federal government gives their results additional experiential support that reinforces their statistical and historical analyses.

The result is the least romantic assessment of politics among the major figures in public choice research.

³ What Faith et al. (1982) refer to as the pork-barrel hypothesis regarding the FTC's antitrust and related activities was an idea developed in Posner (1969), which argues that that congressional interventions tend to undermine the FTC's ability to prosecute monopolistic and unfair trade practices. Posner, however, did not use the term "pork barrel" or emphasize it in his critique of the FTC.

3 Some personal reflections: Tollison the colleague, director and coach

From 1984 to 1998, Tollison was the director of the Center for Study of Public Choice at George Mason University. I worked down the hall from Bob (as he is known to his colleagues) for more than a decade in George's Hall (subsequently renamed Carow Hall). He took the office nearest the front door so that he could monitor goings and comings and the secretarial staff. He did not arrive quite as early as Buchanan and usually left a bit before him, but also worked long days. He was an extraordinarily good "juggler." He kept an amazing number of projects in motion at once: maintaining his rapid team production of research papers, taking care of the center's many administrative tasks, carrying on an active consulting business, editing a journal, all while preserving time for lunchtime basketball and games such as sliding pennies down the center's conference table with graduate students. He routinely greeted arrivals and held short encouraging conversations of the "what are you working on" variety as we arrived and passed his door. He also made time to talk to the secretaries about family matters and life in the center. They were as much friends as staff. His desk, like Gordon Tullock's, was nearly always completely clear, unlike Buchanan's.

His directorship spanned the period in which George Mason University had its greatest impact on the field of public choice. The annual reports were filled with dozens of publications in the field every year, about half of them produced by Buchanan and Tollison. Two public choice seminars were held every week. The field's journal was edited at the center by Tollison and Rowley. The center's visitor program flourished with scholars from around the world. A trailer was added to provide additional space for visitors after James Buchanan won his Nobel Prize in 1986. Often, a half dozen or more visiting scholars were in residence. Tollison arranged to have a second building (renamed the Buchanan House) added to the center following Buchanan's prize and had it refurbished to serve as Buchanan's new base of operations. Somehow, he made this incredibly busy life look easy and natural, as if anyone could do it—but of course few could, can, or would want to.

With respect to my personal relations with Bob, I first met him when he joined the center at Virginia Polytechnic Institute & State University ("Virginia Tech") during my dissertation period. So, I never had a class from him, but I can imagine his charisma in class and observed it indirectly through his seminars and the loyalty and stories of his students. Further evidence is provided by the enormous number of dissertations directed and committees served on. Even back then, with his longish hair and sideburns, he was encouraging and supportive. Instead of requiring deference as most accomplished scholars tend to, he was inclined to offer deference to his students and colleagues, praising them for their accomplishments and potential. When I rejoined the center, first as a visitor in 1986, and then as a junior faculty member in 1988, he remained the least intimidating and most encouraging of the senior faculty, privately giving us an occasional pep talk after rejections, acting impressed at our accomplishments, and encouraging almost any idea we might have for our next project. It is easy to imagine a person with his accomplishments taking a more cavalier attitude toward both junior faculty and the directorship of the center, but that was not in Bob's nature.⁴

After Bob left the center in 1998, it was never the same—never quite the safe space for public choice research that he had created during his time. The center did not cease being

⁴ This of course is not meant to imply that it was always smooth sailing at the center under his leadership, but it was remarkably so, and he made calm productivity seem like the natural order of affairs rather than a product of extraordinary leadership or management.

an active, creative place, but its center of gravity shifted away from public choice and its sense of academic fellowship dwindled. It was only after he left that his less visible contributions became obvious. We had lost the coach that had made us a team.

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