

## Robert D. Tollison: an appreciation

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Bob Tollison excelled in every aspect of the profession of economics: in research, teaching, consulting, and—in the spirit of Adam Smith—as a public official.<sup>1</sup> But the loss felt by those who knew him is not merely the loss of his professional output; it is the loss of a friend, mentor, and source of inspiration.

It was my great good fortune to have known Bob Tollison at the beginning of his career as his student and, many years later, as his colleague. He was at the end exactly as he had been at the beginning: insightful, widely read, thoughtful, provocative, kind and witty. He believed strongly in the power of economic analysis to cut through the fog of confusion and misdirection that often enshrouds public policy debates, and to enhance our understanding of fields previously viewed as outside the domain of economics. Of politics, religion and sports we are often advised to avoid discussing the first two and focus on the third when conversing with strangers. Bob, of course, devoted much of his career to the study of all three, somehow managing to be perhaps more provocative about sports than either politics or religion—at least with respect to the National Collegiate Athletic Association (NCAA).<sup>2</sup>

Bob had a knack for surprise. A visitor to his office would more often than not find his desk uncluttered by anything other than the day's *New York Times* crossword puzzle, yet shortly thereafter he would have produced another innovative and provocative scholarly paper. A student in his class usually would see him walk in without formal notes and then be absorbed by a subtle, and seemingly impromptu, analysis of the topic at hand. An enthusiastic regulator at the Federal Trade Commission would learn of the speed with which Bob could transition from soft-spoken Southern gentleman to firebrand of

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<sup>1</sup> See Anderson et al. (1985) for a fascinating analysis of Smith's 12-year career as a commissioner of Scottish customs.

<sup>2</sup> See Fleisher et al. (1992) for the definitive analysis of the NCAA as a cartel.

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deregulation. An after-dinner speaker whose topic was Alexander Hamilton could ask his audience what they knew of him and hear immediately from Bob, “He was a bad shot!”

## 1 Tollison as teacher

My introduction to Bob was as a student in the discussion section he led as a graduate teaching assistant for Principles of Macroeconomics (*sic!*). Our class met on Friday afternoons, but was well-attended despite that because of Bob’s classroom charisma. While I confess that I cannot recall his thoughts on the consumption function or price-level determination, I remember vividly his discussion of a theory of labor value called “inherent worth,” which at that time was being proposed as the morally correct standard for determining the wages of blue-collar workers on campus—although, perhaps tellingly, not the salaries of the faculty or administrators. Bob walked into class with a copy of the student newspaper, in which the issue was given extensive and impassioned coverage, and led us gently through the arguments on offer. He posed the key questions: What is inherent in humans? What are the meanings of “worth”? How might such a policy be implemented, and what are its likely consequences? But he left it to us to struggle to find sensible answers. In the span of only 50 min Bob had changed forever the way we would instinctively approach any policy issue.

To generations of students Bob was inspirational. His ability to inspire graduate students can be inferred from the many influential papers he wrote with them, as well as from the many other outstanding papers they wrote on their own in subjects he had taught them. It could also be observed more directly in forums such as the workshop in public economics at Clemson, where time and again Bob showed an enviable ability to be both demanding and encouraging as students’ research projects developed from vague ideas to convincing tests of well-specified hypotheses grounded in solid economic theory.

During his years at Clemson I learned that Bob was as inspirational to our undergraduates as he had been to me decades earlier. Bob was a campus legend whose classes always were full, particularly his course in public choice. Every student I ever encountered who had taken that class said the same thing: It was a transformative experience. Bob could explain deep and subtle points clearly, without oversimplifying them. He had a completely justified trust in his ability to teach anyone, without talking down to them. These skills are easy to observe and to describe, but their scarcity suggests that they are difficult to acquire. Bob showed that great achievements in research need not preclude greatness in the classroom.

## 2 Tollison as scholar

Bob was a major contributor to, and in several cases a primary developer of, an astonishing variety of fields, including political economy, sports, religion and art. As befits the foremost protégé of Buchanan and Tullock, Bob’s work in all these fields frequently focused on the role of institutions on outcomes.

In political economy Bob was the preeminent advocate and extender of Tullock’s (1967) seminal work on rent seeking. Early on he recognized the first-order importance of “Tullock rectangles,” and as co-editor of the influential volume *Toward a Theory of the Rent-Seeking Society* (Buchanan et al. 1980) Bob did much to alert the rest of the

profession to this radical innovation in thinking about inefficiency in the allocation of resources. His subsequent survey of the rapidly burgeoning literature on rent seeking (Tollison 1982) served both to mark the growing importance of that branch of public choice and to suggest the most useful avenues for further work. While many researchers paid a great deal of attention to the many possible theoretical variations on the theme of rent-seeking as a tournament, Bob continued to view the topic through the lens of institutions, as exemplified by his study of mercantilism (Ekelund and Tollison 1981). He was particularly interested in discovering empirically the implications of different legislative or regulatory structures on rent-seeking activities and on the resulting differences in policy outcomes. Indeed, the last doctoral dissertation he supervised (Sharma 2016) was devoted to these questions.

Bob also contributed to the theoretical analysis of rent seeking at a general level, particularly in extending Tullock's (1975) analysis of the "transitional gains trap," which points out that the losers from eliminating a source of rents will not necessarily be the same people as those who gained from the policies that created those rents. This is particularly true when the source of the rents is a transferable asset such as taxicab medallions. McCormick et al. (1984) took Tollison's analysis of the *incidence* of deregulation as a point of departure for an analysis of its potential *efficiency cost*, arguing that in certain circumstances deregulation could induce greater deadweight losses than those generated by the ongoing regulation of economic activity.

Perhaps the single best example of Bob's approach to political economy is his book *Politicians, Legislation, and the Economy* (McCormick and Tollison 1981), which presents clear and original formal models and uses them to generate and test empirically a variety of non-obvious hypotheses. Rather than treating the process of rent seeking as a black box, McCormick and Tollison look closely at the details of the legislative process and the characteristics of the legislators who serve as "brokers" in the process of wealth redistribution. They examine competition not merely among their rent-seeking "clients," but also among the members of the legislature themselves. Above all, in truly Tollisonian fashion, they look for empirical evidence linking processes to outcomes. To Bob, outcomes were always—or at least most commonly—the results of institutional structures rather than the particular people operating within those structures.

Of Bob's many papers on the economics of sports, "Racial Integration as an Innovation" (Goff et al. 2002) is perhaps the most remarkable, being itself truly innovative. This is not really a paper about sports, but a paper that uses particularly apposite data from sports to examine two important issues: the adoption of new techniques by firms and the transition from segregation to racial integration in the mid-twentieth-century United States. The dynamics of adjustment from one static equilibrium to another remains one of the least well-understood aspects of the theory of the firm, so that this paper would be important solely as a major contribution on that topic. But it goes beyond that, to document empirically the initial extent of discrimination in professional baseball and college basketball, its consequences for discriminating teams, and the extent to which innovators and then followers eventually leveled the playing field racially.

In his work on religion, Bob continued to study the relation between institutional structure and outcomes. Ekelund et al. (1996) analyzed the practices and institutional structure of the Roman Catholic Church through the lens of the theory of the firm and monopoly.<sup>3</sup> With Ekelund et al. (2002) he studied the ensuing challenge from Protestantism, presenting

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<sup>3</sup> I do not know the specifics of how the book came to be called *Sacred Trust*, but it is a classic Tollisonian title.

evidence that the success of this challenge was facilitated by “prices” too high to prevent entry in certain areas. His book with Robert Ekelund (Ekelund and Tollison 2011) presented a masterly economic history of the rise of the Roman Catholic Church to its position of utter dominance in the West, based on the interplay of doctrine and its relations with the Roman empire. On display throughout all his work on religion is the recurring Tollisonian theme of the interplay between institutions and outcomes. Also clear is his legendary capacity for effort. What could very well have constituted a distinguished career as an innovative student of religion is essentially a coda to his work in industrial organization and political economy.

In the last few years Bob turned his attention to the market for art. While some of this has been published, much of his work is contained in a book-length manuscript (Ekelund et al. 2017). Having had the pleasure of reading an early version I can say that it contains the types of innovative applications of price theory that are the hallmarks of a research project that features Bob as a contributor. If his work on religion is indeed the coda to his career, then this book is his encore.

### 3 In memoriam

It is common to say upon a person’s passing that he or she will be missed, but in the case of Bob Tollison I can say that he most definitely *is* missed. Bob was someone on whom many, and certainly I, counted on for carefully considered constructive criticism of their manuscripts. In a workshop setting Bob invariably was supportive, but that did not mean that he would ever tolerate error or oversight. He would as readily chastise a student or a colleague for poor writing as for faulty analysis. Most of all, he had little patience for building theoretical castles in the air. “What are the testable implications of your model?” was his continual challenge to any author. He demanded more of himself than he did of anyone else, and he generated a vast supply of scholarship in response to that demand.

To have known Bob as a student was a treat. To have known him as a colleague was a delight. To have known him as a friend was a unique privilege. But to have known Bob in all these ways was to be fortunate beyond measure.

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