Ronald Coase's receipt of the 1991 Nobel Memorial Prize in Economics is a great event in the history of the University of Chicago Law School, for Ronald is the very first member of a law school faculty ever to win this award. As a dean, I would like to think that institutions, and even deans, deserve some credit for the achievements of their faculty. In this instance, a succession of deans have played an important role in building a tradition at our Law School within which Ronald has played so central a role.

Sixty years ago, Dean Harry Bigelow had the foresight to invite Professor Henry Simons of the Department of Economics to offer an informal seminar in economic theory to the members of the law faculty, thus initiating a movement that eventually would trigger reconsideration of entire fields of the law. Dean Wilber Katz went even further than Bigelow and appointed Henry Simons to the faculty of the Law School, making him the first non-lawyer economist ever to join a law faculty. Gathering momentum, Dean Katz thereafter established the Law School's Program in Law and Economics, the first program of its kind, and later appointed economist Aaron Director Professor of Economics in the Law School.

Building upon Bigelow's and Katz's legacy, Dean Edward Levi established the Henry Simons Lectureship in Law and Economics, created the Journal of Law and Economics, and, on the enthusiastic recommendations of Nobel Laureates Milton Friedman and Ted Schultz, initiated the process of recruiting Ronald Coase to join the faculty of the Law School. Dean Phil Neal successfully completed that process and appointed Ronald Coase to the law faculty, as well as Richard Posner, Richard Epstein, and William Landes. He also established the Journal of Legal Studies, the Law School's Clifton R. Musser Professorship in Economics, and established the Sarah Scain Professorship in the Law of Economics.

Not to be out-done, Phil Neal's successor, Dean Norval Morris, appointed Frank Easterbrook to the faculty, established a joint degree program between the Law School and the Department of Economics, created the Lee and Brena Freeman Professorship, which has since been held by Richard Posner, Frank Easterbrook, and Daniel Fischel, and established the John M. Olin Fellowships in Law and Economics. Finally, Dean Gerhard Casper strengthened the Law School and its Program in Law and Economics still further by appointing Professors
Ronald H. Coase
Clifton R. Musser Professor Emeritus of Economics

Born: 1910
Education: B. Com., 1932, D.Sc. (Econ.), 1951, London School of Economics.
Honorary Degrees: Dr. Rer. Pol. h.c., 1988, University of Cologne; D. So. Sc., 1989, Yale University.

After holding positions at the Dun­

Dee School of Economics and the

University of Liverpool, Ronald H.

Coase joined the faculty of the

London School of Economics in

1935. In 1947, he was appointed

Reader in Economics with special

reference to Public Utilities. Mr.

Coase has held both a Sir Ernest

Cassel Travelling Scholarship and a

Rockefeller Fellowship. He has also

been a Fellow at the Center for

Advanced Study in the Behavioral

Sciences and a Senior Research

Fellow at the Hoover Institution.

During World War II, he served as

a statistician with the Central Sta­

tistical Office of the Offices of the

British War Cabinet.

In 1951, Mr. Coase migrated to

the United States and held posi­

tions at the Universities of Buffalo

and Virginia prior to coming to the

Law School in 1964. He has taught

regulated industries and economic

analysis and public policy. Mr.

Coase was the editor of the Journal

of Law & Economics from 1964 to

1982 and Director of the Law &

Economics Program from 1965 to

1978. Among his many publica­

tions are “The Nature of the Firm”

(1937), “Business Organizations and

the Accountant” (1938), “The Mar­

ginal Cost Controversy” (1946),

“The Problem of Social Cost”

(1960), and the book The Firm,


Douglas Baird, Dennis Carlton,
Daniel Fischel, Geoffrey Miller, and
Alan Sykes and by establishing the
Aaron Director Fund to support
research in Law and Economics, the
Ronald Coase Prize in Law and Eco­
nomics, and the Lynde & Harry Brad­
ley Law and Economics Fund.

It is a long and unbroken com­

mitment to the integration of economics
and law, and each of my predecessors
has reason to bask in the eminence of
our Law School’s unparalleled achieve­
ments in this field. No dean, however,
can take credit for what Ronald Coase
has achieved. His work is funda­

mentally the product of his own extra­

ordinary insight, imagination and
brilliance. He is, quite simply, the
most important figure in the field of
law and economics—ever. Virtually
all work in the past quarter century
in this field builds upon and, in­
deed, must build upon, Ronald’s
contributions.

This is not to say, however, that
institutions do not make a difference.
I would like to think that the Uni­

versity of Chicago Law School, as an
institution, has made a difference in
this regard in at least four ways. First,
throughout the history of law and
economics and, I dare say, throughout
the history of the Law School, we
have been very good at identifying
excellence at an early stage. We’ve
been good at identifying the excel­
ence of ideas before others have taken
note of them, and we’ve been good at
identifying excellence of mind, as well.

Second, we’ve created and nurtured
an environment in which scholars can
pursue their work in an atmosphere
of collegiality and challenge. Ideas are
to be discussed, questioned, probed,
tested, and then, having withstood
such searching examination, shared
with the world at large. The Law
School’s infamous Workshop in Law
& Economics, which meets a dozen
times each academic year, is the most
demanding and most daunting aca­
demic workshop anywhere in legal
education and perfectly exemplifies
the rigor of this process.

Third, in the best spirit of the Uni­
versity of Chicago, we have drawn
heavily on resources from the whole
University in our quest for under­
standing, and our Program in Law
and Economics has benefitted enor­
mosly over the years from the input of such
colleagues as Milton Friedman, Ted
Schultz, George Stigler, Gary Becker,
Sam Peltzman, Harold Demsetz,
Sherwin Rosen, Merton Miller, Peter
Pashigian and other members of the
faculties of the Department of Eco­
nomics and the Graduate School of
Business.

Fourth, we are not afraid of new
ideas, however provocative or con­
troversial. Law and economics has been
attacked on every side since its incep­
tion but, over the years, it has won
the field. This is due, more than to
anything else, to the persistence, the
confidence, the perseverance and the
sheer intellectual power of Ronald
Coase and his colleagues at the Uni­
versity of Chicago Law School.

For three decades, Ronald Coase, as
a member of our Law School family,
has played a central role in main­
aining and preserving these values and in
helping us to keep faith with our high­
est ideals. Although we can claim no
credit for Ronald’s achievements, we
can, quite justly, take great pride in all
that he has done. I would like to take
this opportunity to thank Ronald, on
behalf of all his students and col­
leagues at the University of Chicago
and its Law School—past, present and
future—for sharing with us his energy,
creativity, enthusiasm and friendship.
He is, truly, an inspiration.