The Law and Economics Program
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Students and alumni of the Law School appreciate the impact which economics has had on the intellectual teaching and research life of the school. The Law and Economics Program also undertakes to reach beyond the Law School and support research and teaching in applied political economy at other universities.

There are three ways in which the Program furthers this objective. The first is through the publication of two journals, the Journal of Law and Economics and the Journal of Legal Studies; the second is through the Law and Economics Workshop; and the third is through the award of Law and Economics Fellowships.

The Journals
Journals are the means by which scholars and teachers at many different schools can communicate their research and, conversely, learn about the work of others in their field of interest. Publication in a journal enters the article into an indexing system and makes the work available to future scholars. A journal also makes it possible for people interested in a particular field to build upon the work of others. Rare is the scholar who will undertake work on problem areas that are of no interest to the respected journals.

The Journal of Law and Economics, founded in 1958, publishes material on industrial organization, property antitrust rights, and economic regulation, and related areas. It is edited by Ronald Coase, Clifton R. Musser Professor Emeritus in the Law School; William Landes, Professor of Economics in the Law School; and Dennis Carleton, newly appointed Professor of Economics in the Law School.

The Journal of Legal Studies, founded in 1972, is edited by Richard A. Posner, Lee and Brenna Freeman Professor in the Law School. It is concerned with the application of social science research techniques and theory to the legal system—to the organization and behavior of courts, legislatures, and administrative agencies, to judicial procedures, and to areas of legal concern as diverse as family law, criminal law, and legal history.

Publication of these journals involves considerably more than simply accepting suitable manuscripts for printing. After initial review by an editor, manuscripts are sent to experts in the field for review and comment. These referees' comments, along with those of the editor, are then provided to the authors for consideration in revision of the article. Only articles that are ultimately judged to make a significant contribution to the literature in the field are accepted for publication.

The nature of the work supported and furthered by the journals can be illustrated by reference to articles appearing in recent issues. The spring, 1980 issue of the Journal of Law and Economics (Vol. 23, No. 1) contains articles on primitive law, the economic function of medical schools, the regulation of hospitals, water law, usury laws, a method for estimating the value of a legally suppressed market, the politics of the minimum wage, the politics of city-county consolidation, enterprise liability, and the theory of patents. These articles were written by authors from institutions as diverse as the University of Hawaii, California Institute of Technology, the University of Florida, and Carleton University in Ottawa, Canada.

The January, 1980 issue of the Journal of Legal Studies contains articles on a comparison of strict liability and negligence as rules of tort liability, contemporary tort theory, diversity jurisdiction, private

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versus public enforcement of fines, judicial discretion, the impact of litigation on legal rules, the use of taxes to control externalities, and the ability of economics to explain and illuminate nonmarket social behavior. The authors' institutions include Harvard Law School, Stanford Law School, Hebrew University, and New York University.

This year, the Journal of Legal Studies is also publishing two special symposia issues. One, a symposium sponsored by the Institute for Humane Studies and the Liberty Fund, is on "Change in the Common Law: Legal and Economic Perspectives." A second, sponsored by the Center for the Study of the Economy and the State, the University of Chicago, is on the law and economics of privacy.

The Law and Economics Workshop
The Law and Economics Workshop, organized and directed by Professors Landes and Posner, brings scholars to the Law School to present work in progress. Members of the Law School's faculty and that of the University of Chicago Department of Economics and Graduate School of Business participate in the Workshop, which enables an author to receive a wide range of views and criticism prior to publication of his work. Many papers presented at the Workshop eventually appear in the journals published by the Law School.

During the past academic year, representative Workshop papers included: "An Economic Analysis of Blackmail," by Douglas H. Ginsburg, Assistant Professor of Law at Harvard University; "Marketing Arrangements to Induce Efficient Quality Search: the Paramount and Loews Block Booking Cases," by Benjamin Klein, Professor of Economics at the University of California at Los Angeles; "Causal Apportionment in Tort Law: An Economic Theory," by Mario Rizzo, Professor of Economics at New York University; "Rationalizing the Basic Framework for Nonprofit Enterprise: An Economic Approach," by Henry Hansmann, Assistant Professor of Law at the University of Pennsylvania; "Enforcing Promises: An Examination of the Basis of Contract," by Charles Goetz and Robert Scott, Professors at the University of Virginia Law School; and "Opportunistic Behavior and the Law of Contracts," by Timothy Muris, Assistant Professor of Law at the University of Miami Law School and Law and Economics Center.

Law and Economics Fellowships
Finally, the Law and Economics Fellowships make it possible for younger scholars to study the field and pursue advanced research through supported leave at the University of Chicago. During the past
year, Professors Klein and Muris were Law and Economics Fellows. Professor Klein spent the fall quarter pursuing research on the antitrust cases involving block booking. The workshop paper was a first result of his work, which continues the program's long-standing interest in analysis of major antitrust cases. Professor Muris spent the year studying advanced economics and pursuing his research on the economic foundations of contract doctrine. Professor Stephen Littlechild, of the University of Birmingham, England, visited during the spring quarter to pursue research on the impact of different ownership and administrative structures on the quality of telephone service and to learn about the American work on law and economics.

Interdependent with the activities described here is the program of research supported at the Law School itself by the Law and Economics Program. The journals and workshops assist in the dissemination of the research done at the school to others with an interest in the field.

Through these activities, the Law and Economics Program has made the special resources of the Law School available to a large number of teachers and scholars. The combination of institutional knowledge and sophistication found only in a professional law school combined with the rigor of the analytic tradition in economics at The University of Chicago and the long-standing tradition of applied research within the Program has helped to develop an influential and still growing field of scholarship in American and foreign universities.