

February 20, 2015

**HAROLD DEMSETZ**

**Arthur Andersen UCLA Alumni Emeritus Professor Emeritus Business Economics**

Address: Department of Economics, University of California, Los Angeles, California 90095.

Telephones: Office: (213) 825-3651; Home: (818) 343-8743

Fax: 310-825-9528 (Departmental fax).

**Education**

Northwestern University, Evanston, Illinois: Ph.D. and M.A. (Economics, 1959); MBA (1954)

University of Illinois, Urbana, Illinois: B.S. (Economics, 1953)

**Professional Employment**

**Academic**

Emeritus Professor, UCLA 1994

University of California, Los Angeles, California. Professor, 1971 to 1994.

Arthur Andersen UCLA Alumni Chair in Business Economics, 1986 to 1995.

Director, Economic/Business Program, 1983 to 1995.

Chairman, Economics Department, 1978-1980.

Assistant Professor to Associate Professor, 1960-1963.

Senior Research Fellow, the Hoover Institution, 1971-1979;

Washington University, St. Louis, Missouri

Visiting Distinguished Professor, 1982-1983.

University of Chicago, Chicago, Illinois

Associate to full Professor of Economics, Graduate School of Business and the Law School, 1963-1971; visiting Professor, 1990.

University of Michigan, Ann Arbor, Michigan

Instructor to Assistant Professor, Economics Department, 1958-1960.

**Non-academic**

Consultant to the RAND Corporation, 1961-1962.

Scientific Analyst for the Center for Naval Analyses, while on leave from U.C.L.A., 1963.  
Consultant to General Motors, 1974.

Consultant to ARCO, 1976-1985.

### **Honorary Societies and Awards**

Fellow, American Academy of Arts and Sciences.

Honorary Doctorate of Humane Letters, received from Northwestern University 1994

Honorary Doctorate of Social Studies, received from Francisco Marraquinn University 1996

Listed in Great Economists Since Keynes, by Mark Blaug, 1983.

Listed in Who=s Who in Economics, Who=s Who in America, Who's Who in the Social Sciences, Who's Who in the West and in other similar directories.

Included in the authoritative reference book of major contemporary economists, Economic Thought Since Keynes by Mark Blaug, 199?.

Listed among the 10 contemporary economists most cited in professional journals and books.

Winner of the Western Economic Association Distinguished Teaching Award, 1981.

Recipient of 1990-91 Omicron Delta Epsilon (Economics Honorary Society UCLA Chapter) Award for Outstanding Contributions to UCLA and Economics.

Twice winner of the annual best teaching award of the UCLA. Economics Department.

Recipient of honorary medal for contributions to economics from the city of Aix en Provence, France, 1985.

Recipient of the 2002 Adam Smith Prize awarded by the Association for Private Enterprise Education.

### **Professional Offices Held.**

Vice-President, Western Economics Association, Int'l, 1993-94.

President, Western Economics Association, Int'l, 1995-96.

Founding member of American Law and Economics Society.

Member, Domestic Studies Advisory Committee, the Hoover Institution, 1983 to 1990.

Served on Advisory Committees for the American Enterprise Institute; the International Institute of Economic Research; and other organizations.

Director, Pacific Academy of Advanced Studies.

Director, the Mont Pelerin Society.

Director, the International Society of New Institutional Economics.

Senior Editor, Supreme Court Economic Review 1992-97.  
Advisory Editor, Journal of Corporate Finance: Contracting, Governance, and Organization.  
Advisory Board, Journal des Economistes et des Etudes Humaines.

International Advisory Committee, International Journal of the Economics of Business.  
Advisory Board, The Locke Institute.

### **Other Professional Positions and Experiences**

Testified several times before the Securities Exchange Commission, and once before the Antitrust Subcommittee of the U.S. Senate.

Expert testimony given to the Board of Governors of the Federal Reserve System.

Member of President Elect Ronald Reagan's Transport Regulation Task Force.

Presented numerous workshop papers, invited lectures, and special seminars on economics for Law Professors and Federal Judges.

In additions to standard academic audiences, invited lectures include:

American Association of University Law Professors;

Antitrust Division of the American Bar Association;

The Business Conference Board;

Time, Inc., Conference on Antitrust;

F. De Vries Institution, Rotterdam, Netherlands, 1981;

European Association for Research in Industrial Economics, Cambridge, England, 1985;

University of Aix in Provence, France, 1985;

Universities of Mannheim, Cologne, Kiel, Munich and Gottingen, July 1988;

Economics and Institutions Workshop, Sienna, Italy, July 1988;

David Kinley lecturer, University of Illinois;

Uppsala Lecturer in Business, Uppsala University, Sweden, 1991;

Beijing University and Conference on Private Property at Xiamen, June 1991;

Lund University, Sweden, 1992.

Manuscript reader for leading journals, including the American Economic Review, Journal of Political Economy; Journal of Law and Economics; Economic Inquiry; Journal of Legal Studies; and the Journal of Business. Project reviewer, National Science Foundation.

### **Completed Ph.D. Dissertations Chaired**

Cindy Alexander; Ivan Alonso; Robert Ayanian; Russell Beland (Co-chair); Ray Bromley; Paul Clyde; David Flath; Gerald Garvey; Cynthia Genshiemer; David Glasner; David Graham; Tom Hazlett; David Henderson; Kevin James; (Co-chair); Joe Kalt; Changwan Kim; Yungsan Kim; Dan Leach; Sang-Mook Lee; Jeffrey Leitzinger; D. Scott Lindsay, John Lott; John Lunn; Craig McCann; Sejin Min; Jane Murdoch; Michael Murphy; Thomas Nagle; Craig Newmark; Tim Opler; Steve Prowse; Lyn Reaser; Edward Rice; Lindsey D. Scott; John Simpson; Maria Sison (Co-chair); Robert Stillman; Kam-Ming Wan; Harry Watson; Matthew Wright; Geng Xiao (Co-chair); Leon Yen; Frank Xia.

### **Research Grants Received**

Bradley Foundation Research Grant  
Center for the Study of Competition and Public Policy

Ford Foundation Faculty Fellowship  
Foundation for Research in Education and Economics  
General Electric Corporation  
General Motors Corporation  
Sloan Foundation Grant  
Walgreen Foundation  
University of California

### **Program Funding**

Assisted in securing (approximately) \$2 million in funding money for the Business Economics major.

### **Funds Secured for the Aid of Graduate Students**

Bradley Foundation Fellowship  
Mefferd Fellowship  
Earhart Foundation Fellowship

### **Publications**

#### **(A) Books**

Economic, Legal, and Political Dimensions of Competition, the De Vries Lectures in Economic Theory, North Holland, 1982.

Ownership, Control, and the Firm, Vol. 1 of The Organization of Economic Activity, Basil Blackwell, 1988.

Efficiency, Competition, and Policy, Vol. 2 of The Organization of Economic Activity, Basil Blackwell, 1989.

The Economics of the Business Firm: Seven Critical Commentaries (Cambridge University Press, 1995).

From Economic Man to Economic System, Cambridge University Press, 2009.

#### **(B) Monographs**

The Emerging Theory of the Firm; Uppsala Lectures in Business (Uppsala University Press, Uppsala, Sweden, 1992).

Competition Policy: A View From the U.S. Antitrust Experience ; Crafoord Lectures (Lund University Press, Lund, Sweden, forthcoming).

#### **DVD**

A Conversation with Harold Demsetz. 2008. Liberty Fund Intellectual Portrait Series.  
Interviewer: Professor Mark Grady, UCLA Law School

(cont'd)

**(C) Professional Articles and Shorter Papers, by publication date within fields of inquiry.**

**(1) *General Theory***

"Information and Efficiency, Another Viewpoint," Journal of Law and Economics, March 1969.

Reprinted in other publications.

"The Private Production of Public Goods," Journal of Law & Economics, October 1970.

"Theoretical Efficiency in Pollution Control, A Comment," Western Economic Journal,  
December 1971.

"Reply to Professor Thompson," with reference to my paper "The Private Production of Public  
Goods," Journal of Law & Economics, 1973.

"Joint Supply and Price Discrimination," Journal of Law & Economics, 1973.

"Purchasing Monopoly," in Neoclassical Political Economy, edited by David Colander, Ballinger  
Press, 1984, pp. 101-113.

"Amenity Potential, Indivisibilities, and Political Competition," in Perspectives on Positive Political  
Economy, edited by Alt, J. E. and Shepsle, K. A, Cambridge University Press, 1990.

Commentary on "Specific and General Knowledge and Organizational Structure," in Contract  
Economics, published under the auspices of the Nobel Foundation (Edited by Lars Werin  
and Hans Wijkander, Basil Blackwell, 1992), pp. 275-281.

Ownership and the Externality Problem, Chapter 11 in Property Rights: Cooperation, Conflict,  
and Law edited by T. L. Anderson and F. S. McChesney (Princeton and Oxford: Princeton  
University Press, 2003).

**(2) *Law and Economics***

"The Exchange and Enforcement of Property Rights," Journal of Law & Economics, October  
1964. Reprinted in other publications.

"Minorities in the Market Place," North Carolina Law Review, February 1965.

"Some Aspects of Property Rights," Journal of Law & Economics, October 1966.

"Toward a Theory of Property Rights," Papers and Proceedings of the AEA, May 1967.

Reprinted in other publications.

"When Does the Rule of Liability Matter," Journal of Legal Studies, January 1972. Reprinted in other publications.

"Wealth Distribution and the Ownership of Rights," Journal of Legal Studies, June 1972.

"The Property Right Paradigm," with Armen A. Alchian, Journal of Economic History, 1973 Proceedings.

"The Regulation of Industry -- A Reply," Journal of Political Economy, March/April 1971.

"Economics as a Guide to Antitrust Policy," in honor of George Stigler, Journal of Law & Economics, August 1976.

The Trust Behind Antitrust, International Institute for Economic Research, Original Paper #10, March 1978.

"On Extortion - A Reply," American Economic Review, June 1978.

"Should Government Deregulation be Coupled with Deconcentration of Industry?," A debate with Gary Hart and Harold Demsetz, in Government, Regulation, and the Economy, edited by Bernard H. Siegan, Lexington, 1980, pp. 89-104.

"Ethics and Efficiency in Property Rights System," in Time, Uncertainty, and Disequilibrium, edited by Mario Rizzo, Lexington, 1979.

"Professor Michelman's Unnecessary and Futile Search for the Philosopher's Touchstone," in Ethics, Economics and the Law, a titled issue of the journal Nomos XXIV, edited by J.R. Pennock and J.W. Chapman, New York University Press, 1982, pp. 1-9.

"A Commentary on Liability Rules and the Derivative Suit in Corporate Law", Cornell Law Review, January 1986, pp. 352-356.

"How Many Cheers for Antitrust's 100 Years?" (Economic Inquiry, April 1992).

"The Core Disagreement Between Pigou and Coase in the Analyses of the Externality Question," The European Journal of Political Economy ( Dec. 1996).

Property Rights. The New Palgrave Dictionary of Law and Economics (1999):

The Competition Between Private and Collective Ownership, Journal of Legal Studies, June 2002).

Ownership and the Externality Problem, Chapter 11 in Property Rights: Cooperation, Conflict, and Law edited by T. L. Anderson and F. S. McChesney (Princeton and Oxford: Princeton University Press, 2003).

"Frischmann's View of Toward a Theory of Property Rights," Berkeley Review of Law and Economics (2009).

"R. H. Coase and the Neoclassical Model of Competition," Journal of Law and Economics (forthcoming Transaction Cost, Externalities, and the Organization of Control." Arizona Law Review. (Forthcoming 2011.)

"The Problem of Social Cost: What Problem?" Berkeley Review of Law and Economics . (Forthcoming, February 2011)

### **(III) Markets, Antitrust, and Regulation**

"The Nature of Equilibrium in Monopolistic Competition," Journal of Political Economy, February 1959. Reprinted in other publications.

"The Effect of Consumer Experience on Brand Loyalty and the Structure of Market Demand," Econometrica, Vol. 30, No. 1, January 1962.

"The Welfare and Empirical Implications of Monopolistic Competition," Economic Journal, September 1964.

"Monopolistic Competition, A Reply," Economic Journal, June 1967.

"Do Competition and Monopolist Competition Differ," Journal of Political Economy, February

1968.

"The Inconsistencies of Monopolistic Competition," Journal of Political Economy, May/June 1972.

"The Technostructure, 46 Years Later," a review article of Galbraith's *The New Industrial State*,  
Yale Law Journal, March 1968.

"Why Regulate Utilities?," Journal of Law & Economics, March 1968. Reprinted in other  
publications.

"Industrial Structure, Market Rivalry and Public Policy," Journal of Law & Economics, April 1973.

Reprinted with some modifications in The Impact of Large Firms on the U.S. Economy,  
Weston and Ornstein, Heath, 1973.

The Market Concentration Doctrine, AEI-Hoover Policy Studies, 1973.

"Advertising in the Affluent Society," Modern Age, Vol. 18, No. 1, Winter 1974.

"Two Systems of Belief about Monopoly," in Industrial Concentration, The New Learning, by  
Goldschmid, Mann and Weston, Little Brown, 1974.

"Where is the New Industrial State?," Economic Enquiry, March 1974. Reprinted for non-  
economists in The Alternative, June 1974. Also published in revised form as one of a series  
of distinguished lectures given at the University of Chicago.

"More on Collusion and Advertising, A Reply," Journal of Law & Economics, April 1976.

"Accounting for Advertising as a Barrier to Entry," Journal of Business, July 1979.

"The Antitrust Dilemma," in Economics and Social Institutions, edited by Karl Brunner, Martinum  
Nijhoff Publishing, Boston, 1979.

"Antitrust: Problems and Proposals," Corporate Enterprise in a New Environment, ITT Key  
Issues Lecture Series, editors, J. Fred Weston and Michael Granfield, pp. 213-232, 1982.  
Published also in Vital Speeches of the Day as "The Trouble with Antitrust ..."

"Barriers to Entry," American Economic Review, March 1982, pp. 47-57.



#### **(IV) *The Business Firm***

"Production, Information Costs, and Economic Organization," with Armen A. Alchian, American Economic Review, December 1972. (Selected in 2011 as one of twenty most important articles to appear in the American Economic Review throughout its first 100 years of publishing.)

"Are Large Corporations Inefficient?," in The Attack on Corporate America, M. Bruce Johnson, editor, McGraw Hill, pp. 245-251, 1978.

"The Structure of Ownership and the Theory of the Firm," Journal of Law and Economics, June 1983, pp. 375-390

"The Structure of Corporate Ownership: Causes and Consequences," (with Ken Lehn) Journal of Political Economy, December 1985, pp. 1155-1177.

"Neglect of the Entrepreneur," in Entrepreneurship, edited by J. Ronan, Lexington Press, 1983, pp. 271-279.

"The Theory of the Firm Revisited," Journal of Law, Economics and Organization, Vol 4, Number 1, Spring 1988, pp. 141-161.

"Financial Regulation and the Competitiveness of the Large U.S. Corporation," Federal Reserve Bank of St. Louis Review, March/April 1993, pp. 59-65.

Ownership and Control. A Review of Mark J. Roe's Strong Managers, Weak Owners, International Journal of the Economics of Business (February, 1996) pp. 107-112.

The Firm in Economic Theory: A Quiet Revolution, American Economic Review Proceedings (May 1997).

A review of Oliver Hart's Firms, Contracts, and Financial Structure. Journal of Political Economy (1998) v.106 (2).

Ownership Structure and Corporate Performance (with Belen Villalonga), Journal of

## Corporate

Finance 7 (2001).

"Corporate Governance and the Institutions of Capitalism" in Worlds of Capitalism, a volume of conference papers, Hamburg, Germany (2003).

### **(V) *Financial Economics***

"The Cost of Transacting," Quarterly Journal of Economics, February 1968.

"Perfect Competition, Regulation, and the Stock Market," Economic Policy and the Regulation of Corporate Securities, edited by Henry G. Manne, American Enterprise Institute, 1969.

"Corporate Control, Insider Trading, and Rates of Return," American Economic Review, May 1986, pp. 313-316.

∆Limit Orders and the Alleged NASDAQ Collusion,∆ Journal of Financial Economics (Dec. 1996)

∆Ownership Structure and Corporate Performance∆ (with Belen Villalonga), Journal of

## Corporate

Finance 7 (2001).

### **(VI) *Bioeconomics***

"On Thinking Like an Economist,∆ Paleobiology, Vol. I, No. 2, Spring 1975. A review of The Economy of Nature and the Evolution of Sex," by Michael T. Ghiselin.

"Rationality, Evolution, and Acquisitiveness," Economic Inquiry (July, 1996) pp. 484-495.

"Seemingly Altruistic Behavior: Selfish Genes or Cooperative Organisms?' J. of Bioeconomics (2009).

### **(VII) *In Celebration and Remembrance***

"The 1982 Nobel Prize in Economics." (On George Stigler) Science (12 Nov.1982) pp. 655-657.

"An Appreciation of Armen A. Alchian's Contribution to the Theory of the Firm," Journal of Institutional and Theoretical Economics, Vol. 143, No. 1, March 1987, pp. 1-6.

"George J. Stigler: Mid-Century Neoclassicalists With A Passion To Quantify," Journal of Political Economy (October, 1993).

ARonald H. Coase.@ The New Palgrave Dictionary of Law and Economics (1999):

"Professor Jack Hirshleifer (1925-2005): A Life Remembered," J. of Bioeconomics (2006)

"George J. Stigler and his Contributions to Law and Economics" in Pioneers in Law and Economics edited by Cohen, L. R. and Wright, J. D. (London: Elgar publishing, 2008)

### **(VIII) Miscellaneous**

"Structural Unemployment: A Reconsideration of the Evidence and the Theory," Journal of Law & Economics, October 1961.

"Economic Gains from Storm Warnings: Two Florida Case Studies," a RAND Corporation publication, July 1962.

Comment on Issues in Defense Economics, Roland N. McKean, editor, Universities-National Bureau Conference Series, No. 20, 1967.

"Social Responsibility in the Enterprise Economy," Southwestern University Law Review, Vol. 10, No. 1, October 1978. Reprinted by IIER and by the Hoover Institution.

AThe Primacy of Economics: An Examination of the Comparative Success of Economics in the Social Sciences,@ Economic Inquiry (January 1997).

ADogs and Tails in the Economic Development Story@ in Institutions, Contracts, and Organizations, London: Gloucester: Edward Elgar Publishing, 2000.

AThe Competition Between Private and Collective Ownership,@ Journal of Legal Studies (June 2002).

"Seemingly altruistic behavior: selfish genes or cooperative organisms" J. Bioeconomics (2009)

"Creativity and the Economics of Copyright" Review of Economic Research on Copyright Issues (2010).

\*\*\*\*\*

***Repeat of above listings of recent publications (year 2000 to year 2011)***

Ownership Structure and Corporate Performance (with Belen Villalonga), Journal of Corporate Finance 7 (2001).

The Competition Between Private and Collective Ownership, Journal of Legal Studies, June 2002).

Ownership and the Externality Problem, Chapter 11 in Property Rights: Cooperation, Conflict, and Law edited by T. L. Anderson and F. S. McChesney (Princeton and Oxford: Princeton University Press, 2003).

“Corporate Governance and the Institutions of Capitalism” in Worlds of Capitalism, a volume of conference papers, Hamburg, Germany (2003).

“Professor Jack Hirshleifer (1925-2005): A Life Remembered,” J. of Bioeconomics (2006)  
From Economic Man to Economic System, Cambridge University Press, 2009.

“George J. Stigler and his Contributions to Law and Economics” in Pioneers in Law and Economics edited by Cohen, L. R. and Wright, J. D. (London: Elgar publishing, 2008)

“Frischmann’s View of Toward a Theory of Property Rights,” Berkeley Review of Law and Economics (2009).

“Seemingly altruistic behavior: selfish genes or cooperative organisms” J. Bioeconomics (2009)

“Creativity and the Economics of Copyright” Review of Economic Research on Copyright Issues (2010).

“R. H. Coase and the Neoclassical Model of Competition,” Forthcoming, Journal of Law and Economics (Forthcoming 2011)

“Transaction Cost, Externalities, and the Organization of Control.” Arizona Law Review. (Forthcoming 2011.)

“The Problem of Social Cost: What Problem?” Berkeley Review of Law and Economics .

(February 2011.)