

How JMB Moved To VPI: Thanks To An Unlikely “Party”

By Charles J. Goetz[†]

Return with me in time to early Fall of 1968. James M. Buchanan, deemed himself to have in effect been “run off” from the University of Virginia. In Jim’s view, UVA had treated his colleagues Ronald Coase and Gordon Tullock in an intolerably shabby fashion.¹ Consequently, he had just moved to what seemed like a particularly fortuitous Plan B: the Economics Department at UCLA. UCLA at the time housed a number of economists with whom Jim enjoyed very congenial relationships, both professional and personal. Jim acknowledged that Armen Alchian and department head Bill Allen² were important figures in motivating his move to UCLA.

Why then, after scarcely unpacking his bags at UCLA, did Jim abruptly decide to pick up and move to VPI?³ Well, I am here today to render public gratitude to a truly unlikely causal “party”—the Black Panthers Party. For those many of you who are too young to remember, the Black Panther Party for Self-Defense was, in its heyday from 1966 until 1972, a prominent black revolutionary organization.⁴ And no, Jim was certainly *not* a member, being disqualified for that on numerous grounds. So, you may well ask, exactly what role did the Panthers play in the move to VPI?

Cut to Scene 1, the conference hotel for a meeting of the Committee on Urban Public Economics (aka “COUPE”) in early Fall 1968. This session is to be hosted by Dick Musgrave at Harvard University. As was their habit, the arriving COUPE conferees would check in and then repair to the hotel’s bar, there to share wisdom about Urban Public Economics. And, well, maybe about things other than Urban Public Economics. I am already present in the bar having a drink with, as I recall, William Vickrey and perhaps several others. Enter stage left, the newly-deplaned-from-Los Angeles James M. Buchanan, who thereupon joins the group.

As would be only natural under the circumstances, I amiably ask “And how’s it going at UCLA, Jim?”

And then comes the *eruption*. How many of you were ever “treated” to Buchanan in full-fury mode? He would flush dark red with escalating high-blood pressure. Steam almost seemed to vent from his ears.

“The blankety-blank⁵ Black Panthers just *fire-bombed* the Economics Department office!⁶ Bill Allen’s personal safety has been threatened. There are armed police guards in Bill’s driveway. I’m not going to put up with that kind of blankety-blank blankety-blank!” (To be perfectly honest about it, Jim wasn’t saying “blankety-blank.” You’ll just have to imagine.)

After a bit of ensuing small talk, the visibly startled young Goetz exits hastily stage right, muttering suitable excuses for his abrupt departure.

Cut to Scene 2, where young Goetz, immediately thereafter is in his room upstairs in the hotel. He is frantically dialing the home telephone number of Wilson E. Schmidt, the head of the Econ department in Blacksburg. Schmidt answers and Goetz excitedly recounts the incident that just played out in the bar. “Wil, Wil,” he eagerly exclaims, “if we can act quickly enough, while he’s still so very angry, I think that we just might be able to hire...”

Now, I’ve met a lot of pretty adept academic entrepreneurs during my lengthy career in academia. Still, I’ve ever encountered a more capable one than Wilson Emerson Schmidt. Wil was a guy who knew how to fling the door open wide when Opportunity unexpectedly came knocking. (I should note that Wil apparently passed on his entrepreneurial genes to what was at the relevant time his somewhat geeky early-teen son. I would have tried to be a lot nicer to that son had I known that he would eventually turn out to be the billionaire Eric Schmidt of Google CEO fame.)

Only minutes later, Wil Schmidt was on the telephone to University officials in Blacksburg. He started the necessary wheels not only turning but whirring in high gear. Not “Strike while the iron is hot,” but “Strike while the *Buchanan* is hot.”

Cut to Scene 3, not very long thereafter. There is a cocktail party at the Goetz residence in Blacksburg. The guest of honor is potential faculty recruit Buchanan. Present to woo him are all of the VPI biggies, from Dean of Business Bill Mitchell to President T. Marshall Hahn. Things are going well, *amazingly* well. Gordon Tullock had already been hired at VPI and Schmidt was successfully selling the vision that the magical —and tragically lost— atmosphere at UVA could now be recaptured by Jim at VPI. Wil was selling the vision and Jim was buying.

Cut to Scene 4, maybe about a month later. Wil Schmidt is announcing his closing of a deal whereby James M. Buchanan will join the VPI faculty effective the following September. Less prominent in the official announcements is another key part of Schmidt's masterful work as an academic "arranger." It was the hiring of Betty Tillman as Administrative Assistant for the fledgling Public Choice Center at VPI. Betty's hiring was the "clincher" in the package that lured Jim to Blacksburg. *Fait accompli*. And the rest is history.

In his autobiographical account of this move to VPI, Jim gives a somewhat less dramatic explanation of the move from UCLA. There is nary a word about the Black Panthers. Instead, he attributes his move more broadly to disillusionment with the political environment and University governance in Los Angeles. With all due respect, however, my tale gives you the little-known "inside skinny." Jim's more elliptical account is, in my opinion, actually more of a *post-decision* effort at reduction of cognitive dissonance about an abruptly-made decision. His own account reflects adverse events that transpired only later in the academic year at UCLA. I firmly believe that, had Jim ever "settled in" at UCLA, the congenial colleagues and the considerable other charms of Los Angeles would have captured him in unbreakable permanence.

So, there you have my previously little-known story. And, that's why the Black Panthers are owed my enduring gratitude--and maybe your gratitude as well.

At least one other really good thing maybe emerged from the Black Panthers around that time. Jim told me that, numbered among UCLA grad students was a one-time Black Panther member who is—Wait for it!—none other than GMU's own Walter E. Williams. Allegedly, once even bedecked with the Panther claw necklace. I've never quite known whether to believe it or not, but that's what Jim Buchanan claimed. (Walter, if it's *not* true, please don't disillusion me. The image is just too, too mind-boggling!)⁷

So, thank you to the Black Panthers. You made it possible, guys.

And thank you as well to all of you here present today for enduring my old codger reminiscence, the strange-but-true story of how JMB went to VPI!

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¹ “I just couldn’t stay at a place which would do something like that.” As Jim recounted it to me, there had even been a last-ditch effort by UVA President Edgar Shannon to keep Buchanan. Under a tentative agreement reached with Shannon, Gordon Tullock would have been brought back as a tenured full professor. That agreement, however, was successfully vetoed by other elements in the UVA administration and faculty.

² Among the other UCLA economists whom Buchanan held in particularly high regard were Jack Hirschleifer, Earl Thompson and Axel Leijonhufved.

³ A theory held by some is that Buchanan’s very short sojourn at UCLA had always been part of The Plan to relocate to VPI. Supposedly, the intervening stop at UCLA was required in order to circumvent a rule banning interschool faculty “raiding” by Virginia public universities. Part of the purpose of my account today is to set the record straight because Buchanan was far too honorable a man to have used UCLA in that manner. As I recount below, the move was, in fact, quite serendipitous —almost spur-of-the-moment— rather than plotted in advance. Moreover, it is my personal belief that the alleged anti-raiding rule was a myth. Later evidence of the non-existence of the supposed “rule” is Buchanan’s move from VPI directly to GMU, another State university and, indeed, my own move in 1975 from VPI to UVA.

⁴ The “Black Panthers” now in existence are quite another group, the *New Black Panther Party*, formed in 1989 (italic emphasis supplied).

⁵ Jim was not a seriously vulgar curser, but, in formal discourse such as the present, “blankety-blank” is probably more suitable than fully faithful quotation. Suffice it to say, his colorful language indicated that he was enraged. Those of you who knew him well can probably fill in the blankety-blanks.

⁶ Because of the singular importance that I attached to them, both at the time and over the intervening years, I remember Buchanan’s words very vividly. It is true that the Black Panther Party had by that time developed a reputation for violence and threats emanating out of campus conflicts. That said, my account is based entirely upon an accurate retelling of Jim’s own dramatic outburst about what transpired.

⁷ Jim was quite an admirer of Walter and always spoke of him very warmly. (And, if I may say so, with good reason.) Perhaps the (alleged) Williams transition from Black Revolutionary to free-market economist struck Jim all the more because of his own transition from early enthusiasm for Socialism.