



## In Memoriam: Henry G. Manne 1928 – 2015

Henry Girard Manne died on January 17, 2015 at the age of 86. A towering figure in legal education, Manne was one of the founders of the Law and Economics movement, the 20<sup>th</sup> century's most important and influential legal academic discipline.

Manne is survived by his wife, Bobbie Manne; his children, Emily and Geoffrey Manne; two grandchildren, Annabelle and Lily Manne; and two nephews, Neal and Burton Manne. He was preceded in death by his parents, Geoffrey and Eva Manne, and his brother, Richard Manne.

Henry Manne was born on May 10, 1928, in New Orleans. The son of merchant parents, he was raised in Memphis, Tennessee. He attended Central High School in Memphis, and graduated with a BA in economics from Vanderbilt University in 1950. Manne received a JD from the University of Chicago in 1952, and a doctorate in law (SJD) from Yale University in 1966. He also held honorary degrees from Seattle University, Universidad Francisco Marroquin in Guatemala and George Mason University.

Following law school Manne served in the Air Force JAG Corps, stationed at Chanute Air Force Base in Illinois and McGuire Air Force Base in New Jersey. He practiced law briefly in Chicago before beginning his teaching career at St. Louis University in 1956. In subsequent years he also taught at the University of Wisconsin, George Washington University, the University of Rochester, Stanford University, the University of Miami, Emory University, George Mason University, the University of Chicago, and Northwestern University.

Throughout his career Henry Manne's writings originated, developed or anticipated an extraordinary range of ideas and themes that have animated the past forty years of law and economics scholarship. For his work, Manne was named a Life Member of the American Law and Economics Association and, along with Nobel Laureate Ronald Coase, and federal appeals court judges Richard Posner and Guido Calabresi, one of the four Founders of Law and Economics.

In the 1950s and 60s Manne pioneered the application of economic principles to the study of corporations and corporate law, authoring seminal articles that transformed the field. His article, "Mergers and the Market for Corporate Control," published in 1965, is credited with opening the field of corporate law to economic analysis and with anticipating what has come to be known as the Efficient Market Hypothesis (for which economist Eugene Fama was awarded the Nobel Prize in 2013). Manne's 1966 book, *Insider Trading and the Stock Market* was the first scholarly work to challenge the logic of insider trading laws, and remains the most influential book on the subject today.

In 1968 Manne moved to the University of Rochester with the aim of starting a new law school. Manne anticipated many of the current criticisms that have been aimed at legal education in recent years, and proposed a law school that would provide rigorous training in the economic analysis of law as well as specialized training in specific areas of law that would prepare graduates for practice immediately out of law school. Manne's proposal for a new

law school, however, drew the ire of incumbent law schools in upstate New York, which lobbied against accreditation of the new program.

While at Rochester, in 1971, Manne created the “Economics Institute for Law Professors,” in which, for the first time, law professors were offered intensive instruction in microeconomics with the aim of incorporating economics into legal analysis and theory. The Economics Institute was later moved to the University of Miami when Manne founded the Law & Economics Center there in 1974. While at Miami, Manne also began the John M. Olin Fellows Program in Law and Economics, which provided generous scholarships for professional economists to earn a law degree. That program (and its subsequent iterations) has gone on to produce dozens of professors of law and economics, as well as leading lawyers and influential government officials.

The creation of the Law & Economics Center (which subsequently moved to Emory University and then to George Mason Law School, where it continues today), was one of the foundational events in the Law and Economics Movement. Of particular importance to the development of US jurisprudence, its offerings were expanded to include economics courses for federal judges. At its peak a third of the federal bench and four members of the Supreme Court had attended at least one of its programs, and every major law school in the country today counts at least one law and economics scholar among its faculty. Nearly every legal field has been influenced by its scholarship and teaching.

When Manne became Dean of George Mason Law School in Arlington, Virginia, in 1986, he finally had the opportunity to implement the ideas he had originally developed at Rochester. Manne’s move to George Mason united him with economist James Buchanan, who was awarded the Nobel Prize for Economics in 1986 for his path-breaking work in the field of Public Choice economics, and turned George Mason University into a global leader in law and economics. His tenure as dean of George Mason, where he served as dean until 1997 and George Mason University Foundation Professor until 1999, transformed legal education by integrating a rigorous economic curriculum into the law school, and he remade George Mason Law School into one of the most important law schools in the country. The school’s Henry G. Manne Moot Court Competition for Law & Economics and the Henry G. Manne Program in Law and Economics Studies are named for him.

Manne was celebrated for his independence of mind and respect for sound reasoning and intellectual rigor, instead of academic pedigree. Soon after he left Rochester to start the Law and Economics Center, he received a call from Yale faculty member Ralph Winter (who later became a celebrated judge on the United States Court of Appeals) offering Manne a faculty position. As he recounted in an interview several years later, Manne told Winter, “Ralph, you’re two weeks and five years too late.” When Winter asked Manne what he meant, Manne responded, “Well, two weeks ago, I agreed that I would start this new center on law and economics.” When Winter asked, “And five years?” Manne responded, “And you’re five years too late for me to give a damn.”

The academic establishment’s slow and skeptical response to the ideas of law and economics eventually persuaded Manne that reform of legal education was unlikely to come from within the established order and that it would be necessary to challenge the established order from without. Upon assuming the helm at George Mason, Dean Manne immediately drew to the school faculty members laboring at less-celebrated law schools whom Manne had identified through his economics training seminars for law professors, including several alumni of his Olin Fellows programs. Today the law school is recognized as one of the world’s leading centers of law and economics.

Throughout his career, Manne was an outspoken champion of free markets and liberty. His intellectual heroes and intellectual peers were classical liberal economists like Friedrich Hayek, Ludwig Mises, Armen Alchian and Harold

Demsetz, and these scholars deeply influenced his thinking. As economist Donald Boudreax said of Dean Manne, “I think what Henry saw in Alchian – and what Henry’s own admirers saw in Henry – was the reality that each unflinchingly understood that competition in human affairs is an intrepid force...”

In his teaching, his academic writing, his frequent op-eds and essays, and his work with organizations like the Cato Institute, the Liberty Fund, the Institute for Humane Studies, and the Mont Pelerin Society, among others, Manne advocated tirelessly for a clearer understanding of the power of markets and competition and the importance of limited government and economically sensible regulation.

After leaving George Mason in 1999, Manne remained an active scholar and commenter on public affairs as a frequent contributor to the Wall Street Journal. He continued to provide novel insights on corporate law, securities law, and the reform of legal education. Following his retirement Manne became a Distinguished Visiting Professor at Ave Maria Law School in Naples, Florida. The Liberty Fund, of Indianapolis, Indiana, recently published *The Collected Works of Henry G. Manne* in three volumes.

For some, perhaps more than for all of his intellectual accomplishments Manne will be remembered as a generous bon vivant who reveled in the company of family and friends. He was an avid golfer (who never scheduled a conference far from a top-notch golf course), a curious traveler, a student of culture, a passionate eater (especially of ice cream and Peruvian rotisserie chicken from El Pollo Rico restaurant in Arlington, Virginia), and a gregarious debater (who rarely suffered fools gladly). As economist Peter Klein aptly remarked: “He was a charming companion and correspondent — clever, witty, erudite, and a great social and cultural critic, especially of the strange world of academia, where he plied his trade for five decades but always as a slight outsider.”

Scholar, intellectual leader, champion of individual liberty and free markets, and builder of a great law school—Manne’s influence on law and legal education in the Twentieth Century may be unrivaled. Today, the institutions he built and the intellectual movement he led continue to thrive and to draw sustenance from his intellect and imagination.

There will be a memorial service at George Mason University School of Law in Arlington, Virginia on Friday, February 13, at 4:00 pm. In lieu of flowers the family requests that donations be made in his honor to the Law & Economics Center at George Mason University School of Law, 3301 Fairfax Drive, Arlington, VA 22201 or online at [www.masonlec.org](http://www.masonlec.org).

