In memoriam: Otto “Toby” Davis, 1934–2006

Otto Davis was one of the leading figures in the Public Choice movement, and one of its institutional foundations. He reinvented himself completely at least three times. He served as president of two very different (and still vibrantly successful) academic societies, and helped open them up to a larger group, both in terms of intellectual scope and interests of the members. And he touched the lives of everyone he met with his warmth, his sincerity, and his childlike enthusiasm for the world of ideas.

Early life

Like so many of the early presidents of the Public Choice Society (he served in that capacity from 1970 to 1972), Toby was raised in a rural setting, in this case the prosperous Darlington, South Carolina farm of his parents Otto and Pauline Davis. On graduating from St. Johns High School in Darlington in 1952, he traveled 175 miles northwest to Wofford College. Wofford is also the alma mater of Robert Tollison, giving the small college the distinction of having a higher proportion of Public Choice presidents among alumni than any college on earth.

He moved two more states north for graduate school, finishing his master’s degree and doctorate by 1960 at Charlottesville, Virginia. It was here that he met his graduate mentor, James Buchanan. In Toby’s own words, Buchanan encouraged Toby, and all his students, to “have a healthy disregard for disciplinary boundaries.”

When he finished his graduate studies in 1960, Toby again moved two states north, this time to Pennsylvania and the Carnegie Institute of Technology, or “Carnegie Tech,” as Carnegie Mellon University was known until 1967. Toby was hired in the then-eight-year-old Graduate School of Industrial Administration, or GSIA. His early research focused on the problem of the “second best,” or the puzzle involving markets that functioned imperfectly stated most precisely by Lipsey and Lancaster (1956). The puzzle was solved by Davis, and his coauthor Andy Whinston, in their paper “Welfare Economics and the Theory of the Second Best.” The paper was published as a Cowles Foundation monograph in 1962, and then appeared in the Review of Economics Studies in 1965. It was in this same period that Davis and Whinston also published their “Welfare, Externality, and the Theory of Games,” in the Journal of Political Economy. Davis and Whinston completed their trilogy of fundamental work in welfare economics with their 1967 “Piecemeal Policy” paper in the Review of Economic Studies.
Two new disciplines

From the beginning, however, it was clear that Toby had broader interests, and his disrespect for disciplinary boundaries was healthy indeed. He began a fruitful collaboration with Melvin Hinich, who had joined the Carnegie faculty in 1963. Their first publications together (Davis and Hinich 1966, 1967 and 1968) formed the core of the now nearly universal “spatial model” of politics. The most widely recognized paper in this collaboration, Davis, Hinich and Ordeshook (1970) (Ordeshook had arrived at Carnegie in 1969) established the primacy of this particular formulation of the spatial or proximity model as a tool for representing political preferences. The paper has been cited more than 250 times, and continues to be a core reading assignment in graduate curricula around the world. Based on the strengths of his connections to Public Choice and work at the intersection of political science and economics, Toby Davis was named the fifth President of the Public Choice Society, serving from 1970 through 1972.

Incredibly, at precisely the same time that Public Choice and the spatial model of politics was gaining prominence, Davis worked to establish and popularize another field, analytical budgeting and policy analysis. Within a little more than a decade, he supported the founding of another society, the Association of Public Policy Analysis and Management, which he went on to lead as president (1983). His public policy interests were reflected in the Davis, Dempster and Wildavsky (1966, 1974) papers, which unified insights of rational choice, bounded rationality (partly through the personal influence of Carnegie colleague Herbert Simon), and institutional economics. These papers are still benchmarks in the study of budgeting and public policy, and the 1966 APSR paper alone has been cited nearly 250 times in professional journals.

Toby was active throughout his career. His later works on policy continued to be influential, and continued to disregard disciplinary boundaries. Davis and DiPasquale (1982) and Davis and Johnson (1984) were important contributions to the literature on property rights and public policy. And the most recent work, especially that with Wenbo Wu (Wu and Davis, 1999a and 1999b) broke new ground in understanding the relation between freedom, prosperity, and institutional change.

But Toby’s contribution, and his legacy, are much larger than his scholarly contributions. In 1967, Carnegie Mellon University had been formed through a merger of Carnegie Tech and the Mellon Institute of Research. Toby Davis wrote and presented a proposal to establish SUPA (the School of Urban and Public Affairs). The Mellon family funded the new school to the tune of $10 million, and the result was one of the most innovative and challenging professional training grounds in the nation. Today, in the renamed Heinz School, Toby’s vision is realized in a forum for training effective, talented, and focused public managers, administrators, and leaders of communities from around the world.

A reflective life, worth living

Toby was active in the administration of both SUPA (where he served as Dean) and of the Department of Social and Decision Sciences (where he served as chair) over the next two decades. Illness, and problems with vision arising from diabetes, sometimes slowed his ability to produce a level of research matching the remarkable productivity and impact he enjoyed in the fifteen years from 1962 through 1977. But his enthusiasm, and genuine human interest in others, never flagged. Generations of graduate students, many of them foreign to the United States, still have a fierce loyalty to Toby, who was in his turn always both protective and giving to them.
He was selected a Fellow of the Econometric Society in 1978, and maintained a joint appointment in the engineering and public policy department, disregarding disciplinary boundaries throughout his life. He worked on several public policy issues, including education, racial integration and entrepreneurship, and development. In the last decade of his life, he and his graduate students made fundamental contributions to our understanding of the connections between institutions, political and economic freedom, and prosperity.

References


Melvin Hinich  
SISL  
Applied Research Laboratories  
University of Texas at Austin  
Austin, TX 78712, USA  
e-mail: hinich@mail.la.utexas.edu

Michael Munger  
Department of Political Science, Duke University  
Durham, NC 27708, USA  
e-mail: munger@duke.edu