

## A Tribute to Jean-Jacques Laffont

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Jean-Jacques Laffont was a major figure of the economics of the past century—a great academic. In order to understand his importance we only need to look around the room. This is an amazing audience. The variety of areas represented here is astounding and this variety is an acknowledgement to the fact that JJ's ideas will forever shape our understanding of information, public goods, incentives, contracts, econometrics, and the evolution of organization. The audience is from around the world and it is here because of deeply valued friendship, a profound respect for Jean-Jacques Laffont and a desire that his family have his legacy to carry with them.

Jean-Jacques came to Caltech as a Fairchild Fellow in 1987 with Colette and their children (I think) ages 5,6,8 and 10. At Caltech the Fairchild Fellowships were awarded to only the most prominent of scholars across all branches of science and engineering. We were proud and delighted to have Jean-Jacques.

The trip getting to Caltech gives us a little insight about his personality. The family drove to CIT by way of Bozeman, Montana. JJ rented a motor home and negotiated the long trip, the highways and the mountains, in a completely unfamiliar area and vehicle. Of course Caltech would have paid for any form of transportation but they chose camping and extremely out-of-the-way routes. It suggests his adventuresome nature as well as a family ready to explore new things.

JJ's adventuresomeness is reflected in his work but the trip suggests another aspect of personality that shows up in his work – curiosity. JJ was curious about all matters of economics – and science. When he came to Caltech he was immediately attracted to experiments and curious about how they were done and what one could learn from doing them. We initiated a project based on the deep theoretical insights of JJ. When doing experiments one can distinguish natural experimentalists from those that are merely interested by how deeply they are involved in the execution of the experiments. JJ was there for all experiments. He examined what we did in detail. He could not

wait to get into the data. He was a natural experimentalist. Unfortunately, we were unable to finish while he was at Caltech. We encountered complex statistical problems that turned out to be characteristic of many experiments and were not solved until years later. We tried to stay on the project at a distance but never finished.

As an academic JJ was extremely disciplined. While at Caltech he had no obligations at all due to the nature of the Fairchild Program. Yet, he came into the office every day like clockwork. He attended seminars and contributed to discussions. He was in the office early and he was late to leave.

JJ's academic talents are undisputed but he was also talented as an organizer and as a leader. He was clever and this aspect of the man is revealed in his department building, fund raising and university politics. Few have had success in building and maintaining an Institute while at the same time maintaining their scholarly productivity. JJ did. I recall an example of the problems he dealt with. He wanted to hire an outstanding economist at Toulouse. At the time he had already had some success in building a group and continued growth was important. He sought agreement from other academics but had difficulty with someone who was voting against the person that JJ wanted to hire and was also negatively influencing others, blocking what JJ wanted to do. JJ talked to him and to JJ's surprise, his adversary was very open. He agreed with JJ that the candidate was outstanding by any measure but said he would nevertheless vote against the person because "You are getting too powerful". I am still amused by the look on JJ's face when telling the story. "I can't believe he said that to me!" Basically, JJ was astounded that such bias and pure politics might exist in an academic institution and he set about trying to understand how to get around it. JJ's man was eventually hired at Toulouse.

Beneath the charm resided a tough individual with a sense of pride. I recall that JJ invited me to a conference he was organizing. Payment was to be made by an insurance company. I rearranged my schedule, ordered a (first class ticket - far in advance - and prepared to travel. At the last minute the company decided to cancel the conference, leaving me with the tickets and the opportunity cost of altered arrangements. JJ was furious. "That is simply not acceptable behavior" he says. Somehow he made them pay all of the costs of the cancelled trip. I received a check from the company for the full amount.

When I was asked who would make a good discussant for the paper I delivered at the Nobel Symposium of Experimental and Behavioral Economics, I suggested JJ. He was a real scholar, capable of identifying the subtle contributions that take place over time. The subtle and important contributions that get lost in the flood of papers that follow. I think that his dedication to scholarship was important in the award of the Nobel Prize to Vickery because JJ carefully identified Vickery as the source of ideas the importance of which became recognized only decades after Vickery wrote. Indeed, JJ was a scholar in the classical sense.

When thinking about what to say in this memorial, celebrating the life of my friend, I asked around Caltech for stories or insights that would highlight how he was regarded. The comment by Susan Davis, who has known decades of Caltech faculty, was “JJ was a very, very classy guy... and he was very good looking as well”. I was afraid to ask if her judgment was absolute in some sense or by comparison to the Caltech faculty but I suspect that had I done so she would have claimed it true if the comparison was made from among any set of men and that she would not even bother to make the comparison with the Caltech faculty. (Parenthetically speaking Colette, as I told this story I saw affirmative nods from many women in the audience.)

I recall that when I was a graduate student taking a history of thought course from Ronald Coase, Ronald always referred to the great scholars in the present tense. “Adam Smith argues X.” “Alfred Marshall believes Y.” I was always struck by this, because it is appropriate. Ronald did not use the present tense because of respect or deference. He use it because the ideas of these great men are alive. They are with us, anticipating our objections and stimulating our imagination.

In this sense, those of us in academics will not miss Jean-Jacques. He is always there, as close as the nearest bookshelf or library; willing to argue and to offer perspective. He will be referred to in the present tense for decades. However, there is a deep sense of loss. The fresh ideas, the curiosity, the discipline and the talent are not with us and are replaced by respect for who he was and admiration for what he accomplished, which fall far short of what was lost.