



SPEARMAN MEETS THE KING

FRIDAY EVENING, DECEMBER 10TH

The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed, the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist.

—JOHN MAYNARD KEYNES

On this particular cold December evening, Henry Spearman was an example of how “clothes make the man”—or in his case how they didn’t. The tails of his morning coat hung just a few inches off the ground. Instead of elongating his silhouette, the garment made him look cherubic. But he was not worried about his clothes. He was worried about protocol. Tonight he would meet the king.

The setting was Blå Hallen, the “Blue Room” of the Stockholm City Hall, and Spearman was about to receive the Nobel Prize in economics. His day had already been memorable: a tour of historic landmarks and Swedish architecture followed that evening by the Nobel banquet. Sixty-five tables had been prepared for the Swedish royal family, the prize winners, the special invitees and

guests. The tables were blanketed with Swedish linen from Ekelund—supplier to the royal family for over three centuries—and set with Rörstrand porcelain china and Orrefors glassware that glistened and sparkled in the muted light. The fare was Scandinavian, salmon, lobster, and wild game; the table conversation eclectic; the entertainment top notch. Now came the time for the presentation and Spearman recounted in his mind the protocol expected of him. While honors and distinctions had come his way before, this was the academy's big kahuna. Even the name—"Nobel"—lent luster to the award. The cachet of the prize would not be the same if it were, say, the "Jones Prize."

It would be idle to contend that the Nobel had come as a complete surprise. Now in his fifties, Spearman was a heavy hitter in the world of books and ideas. His teachers first spotted his brilliance when he was an undergraduate at Columbia. During graduate school the faculty had recognized him as a rising star. An invitation to join the Department of Economics at Harvard signaled that the academic marketplace agreed. He did not disappoint. Spearman quickly brought more prestige to what was already a prestigious department.

When Spearman's Nobel award was first announced, Harvard's public relations department went into high gear. While some universities battled it out on the football field, Harvard battled its Ivy League counterparts by its faculty winning academic prizes. Winning a bowl game landed a school in the sports section of a newspaper. But a Nobel Prize was front-page stuff, and often above the fold. In the field of economics, the University of Chicago was home to more Nobel Prize winners than any other

school. Spearman's prize would help Harvard chip away at Chicago's market share.

At the award ceremony, Henry's wife Pidge was radiant in a pale blue linen gown that accented her buxom figure. Seated next to Pidge was the couple's daughter Patricia. She had left her veterinary practice to be in Stockholm during the awards week. "The animals will have to wait," she laughed.

When the presenter asked the recipient in economics "to step forward to receive his Nobel Prize from the hands of his majesty the king," Spearman rose, walked to the center of the stage, shook hands with royalty, and made the bows that the recipients had been instructed to perform after receiving the prize. For the first time in his life, trumpets from the Royal Orchestra heralded his work as an economist. Also for the first time in his life, Spearman became a million dollars richer in one fell swoop.

On the return flight to Boston's Logan airport, Spearman thought back to his roots. His parents had come to the United States just ahead of the Hitler juggernaut. They were almost penniless. Henry was brought up above his father's tailor shop in Brooklyn. For twenty years, that was his world. Now he had been feted by royalty on the continent from which his parents had escaped with their lives. Moreover, his name had been joined to those of

Akerlof
Arrow
Becker
Buchanan
Coase

Friedman
Hayek
Kahneman
Lucas
Nash
Schultz
Sen
Smith
Solow
Stigler
Stiglitz
Tobin
Vickrey

and other luminaries in the field of economics. He knew his life would never be the same.

It wasn't.