

IAN LITTLE (1918-2012)

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My friend, Ian Little, and his Writings

Ian is the author or co-author of many books and booklets. This includes two important books on India, written jointly with Vijay Joshi, and a classic book on cost-benefit analysis written with Jim Mirrlees. There are numerous other books. Below I shall refer to a World Bank volume on macroeconomic experience of developing countries, and finally to a book of his collected articles. But first, I come to the books that are, in my view, the top three (though perhaps the cost-benefit book might be added to the list).

In terms of impact and intellectual content the three major books are *A Critique of Welfare Economics* (1950), *Industry and Trade in Some Developing Countries* (1970), written jointly with Tibor Scitovsky and Maurice Scott (hence LSS for short), and *Economic Development: Theory, Policy and International Relations* (1982),

The *Critique*. was published when Ian was 32 years old, essentially his D Phil thesis. It was and is stunning. It made a huge impact for many years. It was a brilliant piece of critical theory, utterly clear, very profound, and it immediately made his reputation. It was theory without mathematics, something that many will think is hardly conceivable today. It was undoubtedly negative. But he has himself admitted that, in spite of his negativity about the intellectual foundations of welfare economics as it had then developed, much of his later work was actually applied welfare economics. Later, he wrote that “rough theory, or good commonsense, is, in practice, what we require”. Indeed, I would say that commonsense and intellectual honesty have been his trademarks.

Ian was the initiator and team leader of the LSS project, which led to *Industry and Trade in Some Developing Countries*. This has been by far his most influential book as judged by citations in the economic development literature, and possibly by influence on actual policies. This book, supplemented by in depth empirical country studies, examined critically the protectionist policies of seven “more industrialised” developing countries. Its principal conclusion was that import-replacement policies had failed (or at least, had excessive costs) and that there should be a focus on exports of labour-intensive manufactures – as indeed there had been at the time only in Taiwan . These conclusions might be conventional now, but certainly were not in 1970. It was a masterpiece of policy-oriented research and advocacy, perhaps even (as Martin Wolf has described it) a modern *Wealth of Nations*.

Economic Development is comprehensive but much more than a textbook. A substantial part consists of a detailed, sophisticated critique of various then academically popular contributions to the theory of development economics. But, unlike his *Critique* of welfare economics earlier, he also had a positive message. Of course, I cannot summarise it here, but essentially it is a neo-classical message, presented always not just as theory but backed up by Ian’s extensive knowledge of the history and characteristics of many developing countries. What comes through this easy-to read book is his balanced judgement, indeed his wisdom.

Now, let me come to the World Bank book. I had the privilege of taking part in a World Bank-sponsored project on *The Macroeconomic Experience of Developing Countries* which Ian initiated and where the principal volume (entitled *Boom, Crisis, and Adjustment*) was authored by Ian, with Richard Cooper, Sarath Rajapatirana and myself. In addition there were various detailed country studies, including the India study by Ian and Vijay Joshi. This project was inspired by the success of LSS.

Based on this experience of working with Ian I would make a few observations about Ian's attitude and work. He was heavily focused on getting the facts right, and in this project there were plenty – indeed overwhelmingly many – facts. He was not interested in making an impression, shocking the reader, saying something new designed to make an impact in “the literature” or be different from what was widely accepted. Indeed we tended to confirm the “conventional wisdom” about macroeconomic policy, because that is how the facts and stories came out.

Incidentally, because we did not oppose a prevalent conventional wisdom, and so start an intellectual revolution, by the criterion of citations or impact, this project was hardly a success, unlike LSS.

Finally, I come to *Collections and Recollections. Economic Papers and their Provenance*” (1999). This is actually my favourite Ian book. It reprints many of his articles, written over a long period. And, in addition, - and most valuable at all – it contains his frank reflections on many matters.

This book is remarkable. Anyone who wants to understand the great Ian and learn from him should read it. There are passages of autobiography that are revealing, and told me more than I ever learnt by talking with him. The book reflects his wisdom and fundamental commonsense. I would also use the word integrity.

On three pages of “Reflections” (pp 296-8) he looks back on his work in economics. Mostly he has written books (though there have also been quite a lot of articles, as evidenced by this book). He has neither specialised, nor used much (if any) mathematics. He understates his contribution as a “theorist” Very important, he writes: “*my work has been inspired by problems that were apparent in the real world*”. He remarks that “there is too

much theorizing that feeds on itself and is only very remotely, if at all, related to real problems.”

This book reprints many articles written over a lifetime, mostly (but not wholly) about development economics, especially India, Korea and Taiwan, and heavily focused on important issues. The language is simple and clear, the arguments logical, and always views are based on information about events and policies, and detailed knowledge of history and of institutions of particular countries. There is so much to be learnt from these papers. They are the products of an honest scholar. None of them date. They cover a period from 1949 to 1996.

One particular essay, originally published in 1994, is worth a special mention. This is entitled *Trade and Industrialization Revisited* and looks back on LSS after 24 years. He concludes that while the influence of LSS on the development literature was extensive, it did not seem to have influenced actual policies very much. Increased emphasis on exporting relative to import substitution by developing countries had resulted from the debt crisis, not the LSS message. He also reviewed in his usual careful and critical way various new ideas favouring industrial policy showing that the experiences of Korea and Taiwan did not support them.

Passing from Ian's writings to the personal Ian, it seems to me that Ian was a complex character. He had a kind of joie de vivre that was delightful, almost childlike. Ian could open up when he was at ease with people. At the same time he could have long silences when one wishes he would say something. At least, I wished it. Perhaps that was shyness. I worried, perhaps unjustifiably: what was he thinking? I, Max, am rather inclined to be loquacious. Perhaps, on that matter, on the average Ian and I together were just average.

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