UNITED NATIONS INTELLECTUAL HISTORY PROJECT
The Graduate School and University Center, City University of New York
365 Fifth Avenue
New York, NY 10016

TRANSCRIPT OF INTERVIEW OF

HANS W. SINGER

BY

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Sussex, 2 JANUARY 2000

Transcribed by ADVANCED TRANSCRIPTION SERVICES, INC., New Jersey

RICHARD JOLLY: Interviewing Hans Singer, in the new millennium, Sunday, 2nd of January 2000, in Sussex.

HANS W. SINGER: Two thousand.

RJ: Yes, 2000, Hans?

HWS: The second day of the new millennium, yes.

RJ: I wouldn't say the—the second day of the new millennium. OK, jumping ahead. Hans, you were going to say something about the [Raúl] Prebisch/Singer thesis.

HWS: Yes. One thought that has occurred to me, that I have been thinking about recently, is the way in which the Prebisch/Singer thesis of deteriorating terms of trade fits in with the broad political trends of the last century. If you take the classical theory, of course, most strongly expressed by [Thomas] Malthus, with the classical view, or conventional view, that was prevailing until 1945 to 1950, when Prebisch and I both published data—although the UN volume appeared earlier, 1948 or 1949.

RJ: Before Prebisch published his material?

HWS: That I cannot be sure when. Usually this is quoted as both of us having published in 1950. That was the year when Prebisch published what became a famous ECLA (Economic Commission for Latin America) volume of the *Economic Problems of Latin America*, 1950. I published my article on the distribution of gains and benefits from trade in the *American Economic Review*, also in 1950, but the paper that I presented to the American Economic Association was already either in December of 1949 or January of 1950. So the publication of that article was a little later. We never discussed any question of priority. I can only say it developed simultaneously.

But the political cause, the broader significance of this, that I have been thinking about recently, is this: in the old classical theory, the conventional theory up until then, the prices of raw materials, primary products, metals, also oil, would increase relative to other manufactured products. Of course Malthus is the expression of that: primary production increases on an arithmetic scale, one, two, three, four, five; but population increases at a geometric pace, one, two, four, eight, sixteen. And that view, that raw materials will become scarce and expensive, is presumably one of the ideas that underlies colonialism and imperialism. If you believe this, if you hold that view, then it makes sense for countries like England, France, Germany, Italy, at the time, to make sure of the supply of raw materials to themselves, by acquiring colonies, so that the raw materials supplies are in their own control, that they are not hit by increasing terms of trade.

The Prebisch/Singer thesis of deteriorating terms of trade would make this unnecessary. That presents a view that primary products will be easily available at increasingly favorable relative prices. Thus this view that was then prevailing in the late 1940s, and certainly in the 1950s and the 60s, would then support decolonization. There was no point then in carrying the burden of having colonies if primary commodities would be freely available at increasingly favorable terms of trade. Trade with developing countries would do the job. You didn't need colonies then.

I don't know whether this is fantastically overrating the political aspect of changing views in terms of trade, but this is a thought that had occurred to me. As it happens, of course, the classical view of improving terms of trade for primary products coincided with the period of colonization, the history of colonization in the late nineteenth century and early twentieth century. And the other view of deteriorating terms of trade coincided with decolonization in the

1950s and 1960s particularly, although India and Pakistan became independent already in 1947, before this was published. Now, it may be exaggerated to attribute such great political importance to this whole debate, but the thought—

RJ: But it is interesting to me.

HWS: It might be of interest to mention that.

RJ: I certainly think it is. Hans, let me press you on these other questions in terms of the impact of ideas, and in particular the impact of the ideas of yourself and Prebisch on deteriorating terms of trade. Can you identify how they changed international public policy discourse in the 1950s or the 1960s, or, indeed, later?

HWS: Well, of course. What I've said just now is a broad answer to this. But in more detail, it has had a big influence on the economic policies of Latin America and India, and the Indian subcontinent, because the theory of deteriorating terms of trade sort of appealed to the developing countries to diversify their exports, to go into the export of manufactures, which needed—which was connected with—industrialization, and to participate in trade. Well, of course, it involved trade, but cautiously, and only after they had technologically developed to the degree that they could participate in the export of manufactures, and certainly it required first infant industrialization. The idea of import-substituting, industrialization, of urbanization, is an essential part of the development process. And diversification of exports, that clearly had a great influence on the policy of the developing countries at the time. Today, of course, the neoliberal doctrine of the IMF (International Monetary Fund) would argue that it was an unhealthy influence, that it pushed the developing countries into a policy of being inward-oriented. But when I think of the development of Korea, or Brazil, I cannot help thinking that the influence was not entirely unhealthy.

RJ: Hans, let me ask you, in terms of this point here, to what extent have these ideas become embedded in institutions and taken a life of their own? Would you presumably say UNCTAD (UN Conference on Trade and Development) was perhaps the clearest example of that?

HWS: Well, UNCTAD is certainly a clear example. It is a direct involvement of Prebisch, who became the first director-general of UNCTAD in 1964. It also, of course, was somehow connected. The theory of deteriorating terms of trade, of advising developing countries that it was dangerous to build their own economies on the export of one or two primary commodities—it was not just the barter terms of trade, the direct terms of trade, that, at least in my case, I can say I was thinking about. I am sure that applies to Prebisch too. Prebisch, in fact, emphasized quite often what really mattered were two things. First of all, the factoral terms of trade, which would turn against the primary producing countries because technical progress, or the increase in productivity, would be less in primary production than in manufacturing industry. That was a widely-held view since Adam Smith, which also underlies Arthur Lewis' idea of rural surplus population, that marginal productivity is very low, because of the surplus population there. Thus you could take people out without reducing production.

Now about that aspect of it, I would be doubtful today. We have since seen the Green Revolution in India, in the Punjab. But the other part of it, the other element that Prebisch always emphasized very much is of primary product prices. The prices of primary products show not only a declining trend, but they are also highly volatile from year to year and that makes it almost impossible for developing countries who rely on the export of one or two primary commodities to do any rational economic planning. Of course, at that time, planning, formal planning—inspired by the Indian five-year plans of [Prasanta Chandra] Mahalanobis and

others—was very much the recommended approach to development with emphasis on market imperfections and, perhaps, optimistic assumptions about the goodwill and administrative capacity of the governments. But this rational planning that we emphasized so much at that time was impossible when the fluctuation in year-to-year prices of primary commodities is of the order of 15 percent. In other words, a country can never know whether next year the prices of its main export article are 15 percent above trend or 15 percent below trend—which is a difference of 30 percent—which makes macroeconomic stability very difficult. So in that sense, it gave an impetus to the attempt to stabilize the prices of primary commodities, from year-to-year, to reduce the volatility through commodity agreements.

This, of course, was one of the main jobs of UNCTAD, the reason why it was set up. But even further, beyond that, to revive the old idea that [John Maynard] Keynes had of world currencies based on primary commodities. Thus, instead of stabilizing the price just of gold at $35 per ounce as under the Bretton Woods system from 1945 to 1971, he had produced the idea of basing a currency on the average price of 30 primary commodities, including oil. And it is not an accident that the moment that UNCTAD was created, three major economists of the time—namely, [Jan] Tinbergen, [Nicholas] Kaldor, and [Albert G.] Hart—produced a memorandum for Prebisch, and they revived this idea of a commodity-based currency. And, after a lot of debate, the idea of commodity stabilization being desirable was fully accepted at the time. But the procedure was not through new currency arrangements, but rather by individual commodity agreements, for individual commodities.

But the experience with these commodity agreements then was not very happy. For the commodity agreement to be workable, of course, requires collaboration and full agreement between the consumers and producers of the commodities. But there's an economic interest in

commodity pricing. Of course, opposed to each other, it's different. Yet some agreements went very well, and, of course, then the big example of a successful commodity agreement was the producer cartel, OPEC (Organization of Petroleum Exporting Countries) in 1973 and 1979, which certainly benefited the OPEC countries. But then, due to the way that the OPEC oil surplus money was handled, it had a very harmful effect in the 1970s and 1980s, by creating the debt problem of developing countries, which we now, in the new millennium, are trying to tackle.

That is certainly one of the debates that will be very prominent in the next few years, of real debt relief without reducing aid—debt relief that does not come out of aid. That will be very important. The present initiative of the IMF and World Bank, which would still make debt relief conditional upon following IMF structural adjustment programs would be, to my mind, a very doubtful development to developing countries because, while debt relief may be designed to reduce poverty, it is very likely that structural adjustment programs, even if they increase average incomes, which is possible, will certainly not, the way they are handled today, be designed to reduce poverty in spite of rhetorical renaming of the expanded "structural adjustment facility," which is now called the "poverty-reduction-et cetera-facility."

RJ: It is a cheat, Hans.

HWS: Most people, including [Joseph] Stiglitz, as long as he was the chief economist of the World Bank, expressed great doubt about the impact of such adjustment programs on poverty. I, myself, believe that, given the linkage of debt relief to such adjustment programs, and the linkage of future aid to such adjustment programs, the job of reducing world poverty by half by 2015, in fifteen years time, is already a pretty hopeless target.

RJ: You were saying about the IMF, Hans.

HWS: Yes. Another institutional change that came about connected with the emphasis on the volatility of primary commodity prices and, therefore, also the volatility of terms of trade of countries exporting primary commodities, was the creation within the IMF of the compensatory financing facility, which was originally designed and expected, or hoped for, to deal exactly with this problem. But it never developed into an effective way of dealing with this problem, partly because it was kept so small, and partly because it was subject to the same kind of conditionality as other IMF lending. Although the whole logic of this—of the idea that you dealt here with forces beyond the control of the developing countries would have led to omission of conditionality since the governments were not directly responsible.

RJ: Hans, come back to the role of yourself in these ideas and the role of Prebisch, both of which you've talked about. To what extent were there other people in the institutions that were encouraging or objecting to these ideas? And to what extent were the governments and, say, the Second Committee of the General Assembly, important in discouraging or encouraging this work?

HWS: Well, other people have already mentioned earlier the important contribution of people like Folke Hilgerd, and, later, Harry Campion, in the Statistical Office of the UN whose research was directed towards this problem, when that became one of the main preoccupations of the UN in the late 1940s. And their more detailed research confirmed the fact, at least in my mind, of deteriorating terms of trade. Another man whose work, particularly in UNCTAD later, also strongly contributed to this problem was Alf Maizels in his collaboration with Prebisch in UNCTAD and before. So there were other people. When you mentioned opponents, of course, the opponents were the people who didn't like the policy conclusions, namely, inward-looking policies, industrialization, import substitution, urbanization. And that included people like Jacob

Viner and [Gottfried] Haberler who were both very critical of this. There was no, at that time let me emphasize, that came later—there was no particular resistance to this idea within the World Bank or IMF. They were not, at that time yet, so to speak, associated with the opposite policy of outward orientation, export promotion, trade. This came more from the academic world.

RJ: In reaction to—

HWS: We had support for our ideas from the early development economists: people like [Ragnar] Nurkse and [Paul] Rosenstein-Rodan—advocating balanced growth, not relying just on one or two primary commodities, but creating a balance. Belief in planning also provided support for this idea.

RJ: Arthur Lewis, did he comment?

HWS: I could not put my fingers on it, but the man, of course, who got the Nobel Prize at the same time, jointly with Arthur Lewis, Ted Schultz, was one of the opponents of the classical idea, i.e. that progress, productivity in agriculture, is bound to increase less in productivity in manufacturing. And Ted Schultz, in many ways, was right on this, I believe now. At least as far as food production is concerned. The case is different, as far as mining is concerned, even oil, even though the success of OPEC proved to be only temporary. But deteriorating terms of trade of primary production would also extend to food. And that, of course, institutionally was connected with the establishment of the World Food Programme. If you believe that food will be scarce and expensive, then the food importing countries, which includes the developing world as a whole, which had increasingly become food importing on balance—there are, of course, important food exporters, but the poorest countries tend to be food-importing countries—then the idea of food aid to protect them from these scarcities and rising prices would, so to speak, come up almost naturally. Also, the Marshall Plan was, of

course, a very important precedent for food aid. It was not just the theory of declining prices. The Marshall Plan—of which a high proportion was food aid—had shown the potential of food aid serving under the right circumstances as a tremendous instrument for reconstruction and development, yes.

RJ: Hans, did the Second Committee react at all to these ideas on declining terms of trade?

HWS: Well—not so much the Second Committee as a whole but, of course in the Subcommittee for Economic Development and the Committee for Economic Planning, which was set up a little later. These were the channels for it. I mean, some of their recommendations were based on it. And the recommendations, of course, went to the Second Committee. So they were discussed there, so to speak, secondhand. I don't think that there was much direct discussion in the Second Committee of the thesis of deteriorating terms of trade, as such. That was something too academic, I think. But the consequences of this idea, the inward-oriented recommendations that followed and the need for commodity price stabilizations. They, of course, were very strongly discussed. And the one institution that was fully immersed in discussion of these ideas directly was ECLA, especially as long as Prebisch was there.

RJ: But coming back to the Second Committee, was there any divide between the Americans and the British and the developing countries in reacting to the policy implications of the declining terms of trade?

HWS: Well, when you speak of developing countries, in the years immediately following the publication in 1950, or spreading of these ideas—developing countries, at that time, in effect, excluded Africa. There were still colonies and that was dealt with in the

Trusteeship Council, not in the Economic and Social Council (ECOSOC). Sorry, I lost track. What was the question?

RJ: The question was whether developing countries in Asia and Latin America, in the Second Committee, were very pro these ideas of designing trade, and the need for stronger internal policies, and whether the Brits, the Americans, were against?

HWS: Well, certainly in the Second Committee, the Americans were strongly in favor always of free commodity markets in many of their speeches. Later on, of course, many of the young research assistants of Prebisch became presidents and prime ministers and finance ministers of the Latin American countries. You think of Brazil, and the role of people like Celso Furtado. So it had a tremendous influence on policies in that particular way. Just as like today the IMF and World Bank, especially the IMF, have a tremendous influence on policy, partly because many of the leading politicians and presidents of developing countries are either former staff members or have gone through the IMF and World Bank training courses. The same thing operated in reverse in the 1950s and 1960s. For instance, one of the big spokesmen for inward-oriented domestic planning—of course, it was easy for them because they were such a large country—was India. We had many training projects in India and Pakistan. So, it had a strong influence in that particular way, just as more recently you had the same phenomenon, you might say, in reverse.

RJ: Have you ever seen any reference to the Bank or the IMF learning from this UN experience in the 1950s in terms of the active support for more orthodox training institutions or employment of people in the 1980s and 1990s? It's not a very subtle point, but you might as well train people to later become your allies, your disciples.

HWS: Well, of course, you have the fact that the World Bank—in my mind personified by Eugene Black, who was at that time the president—became very interested, in fact, convinced of the possibility and need for a multilateral aid program as long as it was with the World Bank. Thus, intellectually, Black was on our side. He was in favor of multilateral aid. But he said the UN is not the right place, for it belongs to the World Bank. So, as an intellectual influence on the World Bank, it was an example of such continuity.

RJ: Hans, let me move to some of these questions about earlier influences, and not necessarily just in relation to the declining terms of trade where Keynes's ideas were clearly important, but the League of Nations in the 1930s. How much was their experience in the economic and social affairs important for ideas in the UN? Were their ideas taken into account or not?

HWS: Well, to some extent, of course, the early staff of the UN was taken over from the League of Nations. Folke Hilgerd, whom I already mentioned, had been a staff member of the League of Nations and started his research in the days of the League of Nations. But, otherwise, I think the League of Nations was—well, perhaps "discredited" is the wrong word, but it had become obsolete in our minds, partly by not having prevented the war, or not having played any real role in the Great Depression that preceded the war in 1930s. The war had created a new starting point. The League of Nations had vanished into the mist of the past, more than the number of years would indicate. It represented the 1920s. They were a very distant world to us immediately after the war. There was only one generation from the 1920s to the 1950s, but it then seemed more than a generation. It seemed a different world. And, of course, the economic and social activities of the League of Nations were not strong—perhaps more important than the League of Nations was the ILO (International Labour Organization), which had already existed a

long time, which by that time was in Canada, I believe. It had been changed from Geneva to Canada. And, of course, the idea of the initiation of the World Employment Programme in the ILO was, in some sense, relevant. Planning for full employment. It was the idea that growth had to be of a certain kind, i.e., employment-intensive, and it had to be made so by employment planning. Of course, there the influence of Keynes was enormous. I mean, that was an idea that directly came from Keynes, as the New Deal, in turn, was influenced by Keynes.

But the League of Nations I don't think was very influential, especially after the staff members coming from the League of Nations had vanished from the UN. We looked at their literature, of course. I mean we read the reports of the League of Nations, but without much impact. Prebisch might have paid more attention to it than we did in New York, but in New York it didn't play a big part.

RJ: Hans, the Cold War was becoming ever more of a reality with the Korean War. How did you see in your technical economic work an increasing political divide, putting pressures on you or other colleagues to look at some issues and not to look at other issues?

HWS: Well, of course the idea of five-year plans which Mahalanobis developed for India, and which then became very influential in Latin America too, and throughout developing countries was very much influenced by Russia. The prestige of Russia was very high at that time, in the late 1940s and early 1950s. They had shown tremendous capacity of developing war production and winning the war. Mahalanobis was certainly much influenced by Russian planning. For instance, men like Oscar Lange or [Michel] Kalecki who were very influential with Mahalanobis, especially Oscar Lange, they were very much influenced and convinced of the need for a central planning system. And, by the same token, once the Cold War had started, the idea of central planning was associated with Russia. Therefore, quite naturally, the ideas of

development planning which we developed became very unpopular with right-wing conservatives, specifically with the McCarthyites. In that sense, we got involved in the Cold War because of our emphasis on national planning—and even the idea of industrialization, which Stalin promoted so ruthlessly in Russia. All this, plus the idea of raising productivity in other cultures by government planning, when the Cold War started, became associated with communism and, therefore, became very unpopular. In my own case, it didn't stop me from advocating a policy of import substituting industrialization. It certainly didn't stop Prebisch from continuing to advocate import substituting and industrialization, and diversification of exports, and commodity agreements as a basis of international organization. But we always had to be very careful to say that what we were talking about was not Stalinist-type central planning. It was not connected with political prisoners or labor camps, or anything of the kind. We had in mind the Indian type of five-year plan. But this distinction was sometimes very difficult to maintain in the mind of critics.

RJ: But the French, the British, indeed, all of Europe, had had the Marshall Plan experience which had required a certain degree of national planning.

HWS: Yes.

RJ: So, presumably, the opposition to any idea of planning was much more right-wing conservative Americans.

HWS: That is true. Yes.

RJ: Let's come on to what may be later—also, some of this was probably in the 1960s—the impact of the founding of the Non-Aligned Movement (NAM) and the G-77 (Group of 77) on encouraging ideas or discouraging ideas.

HWS: UNCTAD was meant to be, when it was started, a sort of secretariat for the developing countries, to be the research organ of what a little later became the G-77. But they were handicapped by it in developing this sort of consistent function which would have been probably very consistent with Prebisch's ideas. But they were prevented from—from developing this function. First of all, G-77 was too many. It was almost impossible to get agreement among such a large group. Secondly, they were so diverse. Huge countries like India, let's say, while well, it would be absurd to apply the idea of self-sufficiency to a very small country, like Honduras, but for India, it made sense. For Brazil, it made sense. Even possibly for Nigeria, it might have made sense, but the diversity was too great. Then, of course, the research capacity, the capacity to debate issues like this effectively and arrive at a common view was weak in the developing countries, with the exception of India. So when the South Centre was created, UNCTAD was, to some extent, prevented from being the secretariat of developing countries, because UNCTAD was supposed to be part of the UN. In other words, it was to be impartial between all member countries. The idea of a special organization in the UN for the developing countries was difficult to reconcile with the Charter. When the developing countries, under the influence of people like Julius Nyerere set up the South Centre in Geneva, the great hope was that that would develop into the big research center. The first chairman—I'm not sure he was the first chairman, a long-term chairman—of the South Centre in Geneva, Manmohan Singh, later became finance minister of India, when he then changed his views. Singh was very effective personally, very knowledgeable and an effective man. But they never had enough staff to be effective. They had no real research facilities. It was just the drive of some of the politicians like Julius Nyerere.

RJ: And modest financial support from the Scandinavians, I think.

HWS: Yes. There was, of course, generous support from Scandinavians, to some extent, the Dutch, and some others, but they are small countries.

HWS: During the Cold War, each of the two sides picked out the countries which they thought were leaning to their camp, or very important for them, and directed aid, and other support, to that group. The Russian side picked out their favorite, their countries, and directed aid and technical assistance to them. So the G-77 was split between the western camp and the eastern camp. And there were all sorts of changes. Some countries switched over from being in the western camp to the eastern camp, and vice-versa. The idea of fighting the Cold War through support of the developing countries, and buying their votes in the UN, was incompatible with the idea of a cohesive G-77.

RJ: Yes. Hans, why don't we go on to this question about the collapse of the socialist alternative with the end of the Cold War? I am not sure whether you would agree with that way of putting the question. But what were your hopes when the Cold War did eventually end at the end of the 1980s? What were your hopes for possibilities for developing countries? And what do you think about the way that has emerged?

HWS: Well, I hoped—like I suppose almost everybody else—that the end of the Cold War would usher in a period of peace. The richer countries, East and West, would join together in creating a better world which would include more aid to developing countries. Of course, in that we were very quickly disappointed. The reality was that, at the end of the Cold War, the incentive to give aid diminished, and it did not create a peaceful world. Instead of the Cold War, you had an epidemic of hot war—especially within the Third World, but not exclusively. You also had problems in the Balkans, of course, which in a way is also the less developed part of Europe. Even Bosnia and Kosovo is compatible with this idea of wars within developing

countries. So we were all bitterly disappointed. I was also bitterly disappointed by developments in Russia. The hope was that Russia, with its tremendous resources, especially human resources, and knowledge of technologies, one of the leading countries in space technology and atomic technology, of course, the hope was that that country—also Eastern Europe, the Soviet bloc—would have great opportunities for development, and, in that way, contribute and become a big aid donor. So developments within Russia, the rapid decline in output and the type of corruption and chaos that developed there was a terrible disappointment. Russia is not a good example of structural adjustment. Obviously, structural adjustment has gone wrong in Russia. So that was a great disappointment, yes.

RJ: Let me, Hans, bring you to this cluster of questions about the internal and external UN dynamics, more generally within the UN. What has been the importance of leadership within specific agencies, and, indeed, for the UN as a whole? In the early years, which were the parts of the UN that you felt had dynamic leadership?

HWS: Well, in the early years of the UN, I would certainly mention first ECLA. ECLA had played a dynamic role in economic leadership in the form of Prebisch. And they had a great advantage, for Prebisch became sort of a national hero all over Latin America. He was supported by all the Latin American governments and delegations in any of the discussions or proposals. So there was certainly dynamic leadership in ECLA. We all felt when Dag Hammarskjöld became Secretary-General that that would open an era of dynamic leadership in the UN, which had been lacking before. As a sort of counter-factual history, as a speculation, if Hammarskjöld hadn't died so prematurely, I think it would have developed an era of dynamic leadership on the part of the UN. You had some strong personalities in some of the specialized agencies. For instance, with all his faults B.P. Sen in the FAO (Food and Agriculture Organization) played quite a big

role. The ILO, especially after the World Employment Programme was created, provided—you could say dynamic leadership.

RJ: Although Francis Blanchard was actually the director-general for most of ILO's time during the World Employment Programme, and Louis Emmerij certainly does not think that Blanchard did very much to help the program. So perhaps it was at a more specific level of leadership.

HWS: Yes, the dynamic leadership came mainly through the World Employment Programme, yes. But at least Blanchard didn't stop it. He didn't prevent it from developing. That is the least one can say. Otherwise, since very early, I mention something now that is more familiar to you than to me—I would say that UNICEF (UN Children's Fund) provided a lot of dynamic leadership, both through its active work under Jim Grant, but also particularly you were directly involved in "Adjustment with a Human Face." The creation of the *Human Development Report*—that certainly is an example of dynamic leadership which has, by now, made the reduction of poverty the main objective of development. It has made it universal, at least rhetorically. So—

RJ: But in the early days, did you think of UNESCO (UN Educational, Scientific and Cultural Organization) having—

HWS: Well, under Julian Huxley. Yes, I was just going to mention that UNESCO under Julian Huxley we thought would, through education, through its impact on education, have a tremendous influence. And one of my recollections is how disappointed I was in the program for the Development Decade, not to get UNESCO strongly into the picture. At that time, there was no interest left in UNESCO. They treated themselves, at that time, as a cultural organization, but not a development organization.

RJ: Except UNESCO in 1959, 60, 61 had sponsored these big regional conferences on education. I remember the Addis Ababa conference. How does that go along with their preference to focus on culture or other issues?

HWS: Well, of course, these conferences preceded the Development Decade. The Development Decade was prepared during the first half of the 1960s. By that time—well, I didn't discover any strong leadership in UNESCO to follow up on these regional conferences. I think here of the emphasis on education, on the human factor. The human factor in development, I think it really came from Mahbub ul Haq and UNICEF. You and Frances Stewart and Andrea Cornia, and also from the research team at the World Bank—Hollis Chenery, Paul Streeten, and Mahbub ul Haq. That provided a lot of leadership thinking in that direction. And under their influence, to some extent, [Robert] McNamara. McNamara more than most of the UN specialized agencies was a dynamic force then.

RJ: Hans, in terms of your experience, how did the quality of the international civil service compare with national administrations? And do you think that the quality of UN staff has changed over time?

HWS: Well, that's a difficult question for me. First, I would say, I have been out of the UN since 1969 and, therefore, I am—

RJ: Thirty years!

HWS: —certainly not familiar with the present staff. I would say that from the very beginning, inevitably the UN was hampered in its personnel policy by the nationality quotas, which was a much more serious problem for the UN than for the IMF and World Bank. Because for the IMF and World Bank, the quotas favored countries which had a rich supply of qualified people, whereas the UN quotas favored countries where it was very difficult. I also remember

the discussions that we had in the 1950s that it would be wrong for us to take good people out of poor countries. They were more important in their own country than in the UN. And, therefore, we did not sometimes pick the best people. I think Frank Green was the personnel officer of the UN Economic and Social Department. The discussions that I remember were with David Owen, Frank Green, and myself, and possibly other people. I can't recall—when we agonized over the recruitment of the few outstandingly good people.

But the spirit of the UN Secretariat in the 1950s, in the early years—late 1940s and 1950s was good. Before [Joseph] McCarthy it was good, because, well, there was a feeling you are serving. It's a new world now. There was a hope the UN would become a very important organization. There would be a big aid program, there would be food aid, there would be a big technical assistance program. Through the Trusteeship Department, the UN would play a big part in conflict resolution, in decolonization. We had the feeling we were part of a hopeful new world in the beginning. But that then gave way to disappointment by the 1960s. First McCarthy, you know, had a bad effect on morale in the UN, and then when we also saw power slipping away from the UN when development funding went to the World Bank. In spite of even the expanded UN Technical Assistance Program, even technical assistance went largely to the World Bank, to a certain extent, rather than the UN. When we found that the voting system in the UN made us less powerful, it had an inevitable impact on morale in the staff. But all I can say is there were some very good and brilliant people. I think of people like Prebisch, Kalecki, Sidney Dell—one could mention others, too. There were some excellent people in the UN, but their scope for activity was very limited. We didn't have the tremendous research facilities concentrated in Washington. The number of people available was limited—direct data collection in individual countries was very limited. We were not supposed, at that time, to follow up the

general ideas that we had by detailed country programs and country data. That was a matter of national sovereignty, this was sacrosanct in the early days of the UN. And it is still more sacrosanct in the UN than it would be in the World Bank and IMF.

RJ: Hans, you were saying something about the Trusteeship Council being a model in the 1950s. Perhaps you could expand on that thought.

HWS: Well, the 1950s, of course, and the early 1960s, was a period of decolonization of Africa, and also in the Far East. The process of decolonization as such went remarkably smoothly and remarkably peacefully, with exceptions. There was still a good deal of trouble in Algeria, and one or two other places. But, by and large, it went peacefully. We gave our colleagues a lot of credit for that. They gave a lot of legal help. Of course, the whole thing was facilitated by the fact that the imperial countries, England and Holland and France and Portugal, and so forth, wanted to restore independence. There was no resistance to the decolonization process. And certainly the Trusteeship Council, in our view, had some brilliant people in it.

RJ: Such as?

HWS: The best of the UN included certainly Ralph Bunche, Kofi Annan, Brian Urquhart and—yes, I'm stuck again.

RJ: Erskine Childers?

HWS: Yes.

RJ: Was Kofi Annan very visible at that time?

HWS: Well, we certainly knew him. We all knew him, partly because representatives of African countries, like Ghana, were still very rare in the UN at that time when they were not

independent. So we all knew him. And as I said, he was considered, together with Ralph Bunche and Brian Urquhart, when we gave talks about the success stories of the UN, we would certainly have mentioned them among them.

RJ: Yes. Now, did the Trusteeship Council do much technical work? You said that they did legal work. Did they do much work as such on economic planning or on, say, policy towards private investment, or property? Laws of property?

HWS: Well, private foreign investment was not particularly prominent at that time. I think where they did most to help, you could call it legal work, but we had increasingly learned that it is very important to have institution building in the new countries, to set up institutions, create private banks, or to use central banks or create new legal systems, make constitutional provisions. It was, at that time, we thought of it as largely legal work, but, as I said, more recently, in development economics, the importance of institutions is becoming more and more highlighted.

RJ: Hans, I would have imagined that, in some of these areas—say central bank policy, or attitudes, laws of private property—the interest of the colonial powers might be very different from the interests of those that were providing technical advice, mostly from the point of view of the best interest of the developing countries. Were you conscious of this sort of conflict of values or views?

HWS: As I said, at that time, the colonial countries wanted to deliver good will. They wanted to restore independence. They had become convinced that having colonies were more of a burden than an advantage. And that carried over into the advice given to countries, especially in the larger countries. As seen from the viewpoint of the 1950s and early 1960s, there was a very genuine wish to give the African countries a good start. The idea that Africa could become

so marginalized, as it is today, didn't exist at that time. They thought what Korea could do or what Brazil could do could also be done in Africa. Of course, experts which were sent by the UN to the new countries tended to come from the richer countries, and, therefore, probably even subconsciously, almost without being aware of it, they modeled the institutions in the new countries more in the image of the richer countries than they should have done with the benefit of hindsight. But I think at that time, as I said, the big difference was the Cold War. At that time, the Cold War was already in existence, and the idea was that the pressure was to bring these countries into the western camp by the nature of the government that was being set up or in the opposite case bring them into the eastern camp. And, of course, in the UN we could not be directly involved in this. And the advice and assistance that was given by the UN to the new countries was, of course, limited by our small resources. Most of the assistance came from the colonial countries themselves. And they, of course, in their own aid programs, would want to mold the developing countries in their own interest and in their own image.

RJ: Hans, there were blockbuster reports, like the Brandt report (*North-South: A Programme for Survival*), the Pearson report (*Partners in Development*), the Palme report (*Common Security: A Programme for Disarmament*) on security or the Brundtland report on the environment (*Our Common Future*). Do you think that they were important or marginal for the UN?

HWS: The Brandt report, of course, was very influential and hotly discussed and debated, and I was involved to some extent in the proceedings of the Brandt report.
But, by the time of the Brandt report, the initiative had already shifted so much from the UN itself to the IMF and World Bank which, of course, technically were also UN, that—in the UN itself, we were more concerned with building up the modest consolation prize that we had been

given when IDA (International Development Association) went to the World Bank—that was food aid and technical assistance to build up the UNDP (UN Development Programme). But, for instance, the idea that the UNDP representative in each country should have a coordinating role in that country among the specialized agencies, that idea didn't directly come from the Brandt report. It was already inherent in the blueprint for the Development Decade. But the Brandt report certainly gave an impetus in that direction because it advocated this, also: better coordination between the UN and the specialized agency. What we never managed to get is—I mean, we never got the governments—we rarely got the specialized agencies away from their separate control by governments, and we never got them to make joint programs. The one exception was the World Food Program which was a joint UN/FAO program, but that was more nominal than real in practice. It was heavily influenced by the FAO, largely as a matter of leadership. FAO leadership was very strong then. The program was located in Rome under the direct eye of the FAO while leadership of the UN was relatively weak. The potential of food aid, especially emergency food aid, with the potential of food aid in conflict resolution was not foreseen then. In the original arrangements for the World Food Programme, I think—well, George McGovern would have the correct figure—I think only 7 or 8 percent was earmarked for emergency use.

RJ: As opposed to two-thirds today.

HWS: In practice at least two-thirds—if not more now—is emergency food aid. And if there is any prospect of an important role for food aid in the coming decades, I think it would be in the role of food aid—not only in much more effective humanitarian relief, but in the prevention of conflicts, in preventing economic situations of drought or other conflicts about grazing grounds, diamonds, or whatever, from gradually developing into a major conflict, yes.

RJ: Yes. Well, Hans, are there any final things that you would like to add? We have covered a lot.

HWS: Yes. Well, no.

RJ: Well, thank you again for these further thoughts.

HWS: Yes. I hope these thoughts are useful input.

RJ: Yes.

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ADDENDUM I

UNITED NATIONS INTELLECTUAL HISTORY PROJECT
The Graduate School and University Center, City University of New York
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New York, NY 10016

TRANSCRIPT OF INTERVIEW OF

HANS W. SINGER

BY

RICHARD JOLLY

Sussex, 11 and 13 October 1995
and 20, 22 and 26 August 1997

Transcribed by Chato Rosario-Obuckley

HANS W. SINGER: This is part of a biography of a number of academic immigrants who left Germany because of [Adolph] Hitler. The German government is producing a compendium of this. Each person has a little biography to himself and this is followed by excerpts from their papers which relate to this. But I only have the biography now. I can't give you this copy because I need it right now.

Hans Wolfgang Singer, since 1994 Sir Hans, was born on 29th November 1910 in Elberfeld, which is a town in the Rhineland which does not exist any more under that name as it has been merged with two other neighboring towns and it is now part of the town of Wuppertal.

From his earliest youth, Singer was connected with problems of suppressed minorities and outsiders, because he was a member of the Jewish minority within a Protestant enclave in the Catholic Rhineland. In other words, you could say I was a member of a minority, within a minority, within a minority, because I was a member of the Jewish community which was a small minority in a Protestant town which was itself a minority in the Catholic Rhineland, which was itself a minority in the Protestant Germany, because Germany—and I am not speaking of West Germany which has a Catholic majority—but now that Germany has reunified, it is again a predominantly Protestant country. So being a minority within a minority, they say I became familiar with the problems of suppressed minorities.

I think this is largely overstated. When I lived and went to school in this town, until 1929, I never had the feeling of being a suppressed minority. I had a fairly normal life. My family was very strongly assimilated. My father was a German patriot, serving in a non-fighting capacity in the medical corps as a doctor with the German army in the First World War. Up to 1929, I myself never felt any type of anti-Semitism or anything like that because I was a member of a small minority within a minority, within a minority. I think it is a slight exaggeration to say

this. Also I had the experience of the social and economic consequences of the German hyperinflation after the First World War.

RICHARD JOLLY: That you wrote about in the piece in the [Alec] Cairncross volume.

HWS: That is certainly true. This experience of the hyperinflation gave me an interest in economic and social problems. People who live under this hyperinflation develop an interest in trying to understand what the causes of the inflation are, how can the inflation be reduced, what are the social consequences of the inflation. We studied how foreign exchange rates were determined, so that is probably good, and not only the hyperinflation, but also the global economic crisis of the 1930s. That was certainly in there in the experience of true minds towards economic and social analysis. This biographical background made an essential contribution to his early advocacy of the interests of the countries of the so-called Third World and made him one of the pioneers of development economics.

RJ: Let me just slip in a question here. Do you think back to any secondary school teachers or secondary school experiences that stirred your idealism or stirred your feelings against injustice, or even your academic interests?

HWS: No, I could not say that. We were a class of about twenty to twenty-five people and within that class in my two or three years at school, there were four or five who you could say had intellectual interests. Those four or five people included me, for we were a very closely-knit school. We talked a lot to each other. We visited each other in our houses. We developed common interests. That was my main stimulation, that group of four or five people.

RJ: Were they all boys? Were there some girls? Was it a boys-only school?

HWS: No, no, all boys. It was a strictly classical education. I had to study nine years of Latin, six years of Greek. Our history lessons started with 90 percent Roman and Greek history.

It was one of the classical German schools, a gymnasium, which provided the best education and the highest requirements among the different schools in that town, but it had very little relationship to current events.

RJ: And mathematics and algebra?

HWS: Very little, very little. That was not encouraged. It was a classical scholar tradition.

RJ: And perspectives on the First World War?

HWS: Hardly, hardly, hardly. I mean we reflected on the First World War, and our town in Germany was in fact occupied by the French after the war. After the First World War, the French occupied one part of the Rhineland and the British occupied the other. The British zone of occupation was based in Cologne, and the French zone was based in a place called Dusseldorf. We were just within the French zone, but close to the British zone. We obviously saw a great deal of the French soldiers. We were, you might say, a precipice.

Germany was under Social Democratic rule. The German president was Friedrich Ebert, a Social Democrat and certainly within this group, probably more generally in the class, we were more or less followers of Ebert and the Social Democratic Party. Among the older generation, among the teachers, there was a strong nationalist element. They were certainly much more nationalistic than our group of four or five people were. I am not too sure about the rest of the class.

RJ: How important an influence was your father on your thinking? Indeed, did your father regret the First World War? Did he just feel it was defeat, or did he just feel he was doing his job as a doctor?

HWS: Well, he felt he was doing his job as a doctor. He had regrets. He voted for a central party, called the German Peoples' Party, which was, in contemporary British terms, one might say Liberal Democrats. They were not the big Catholic party, the center party. He did not vote for the Social Democrats. He voted for the liberal central party, not the religious central party.

My father had a great desire I should study medicine and follow him. It was a disappointment to him. He discouraged me from studying economics, which I had already a tendency to do, saying that was what I wanted to do. But he said if you want to be an economist, OK, but then you require practical business knowledge, and he wanted to put me into the local bank. There was a local private banker called von der Heydt. Old Mr. von der Heydt had the title of privy councilor, though it does not quite mean what it says. It shows he was a member of the establishment more or less. My father knew him and told me he could get me a job as an apprentice at the bank.

But I wanted to study economics. So I went off to Bonn, half intending to study medicine. At least my father understood that I was going up to Bonn to study medicine, and actually I did attend some medical lectures first. I think that is probably how I met Ilse, my wife. Oh no, that was a year later. My memory tricks me. That was when I attended a few medical lectures there.

But then somebody drew my attention to [Joseph] Schumpeter and said, "You must hear him." He is a brilliant lecturer and very stimulating. So I went to hear Schumpeter and smuggled myself in as a member of the audience. I had not registered with the economic faculty there. And well, from that moment, I knew I wanted to study economics. He was a decisive influence. But my father did not object then. He was a slightly remote figure. He was much

older than I. He had married late in life. My mother was much younger than he. He was born in 1873, so by 1929 when I was going off to study in Bonn, he was already an elderly man and not in particularly good health.

RJ: He was fifty-six when you went off to Bonn.

HWS: In 1929, he was not in good health, but he was extremely busy and worked very hard. He had a large practice, and he was always available for people who could call him at any hour of the night.

RJ: What about your mother? Did you mother influence your academics, your classics, or your idealism?

HWS: No, not much. My mother was a feminine figure in the old style. She was satisfied to look after my father and look after us. She was a very gentle person, very popular. Everyone liked her, but she had no great intellectual interests herself. She had not studied, and she took more or less her opinions from my father.

RJ: But they must both have been proud of you and your academic successes, even in secondary school.

HWS: Oh yes, they were very pleased. I brought home very good reports and marks, and I graduated from high school with very good honors—one of the top people.

RJ: Were you the best in the class?

HWS: No, there were three or four people who were equal, an upper crust.

RJ: Did you have brothers and sisters?

HWS: Yes, I had one younger brother, two years younger than I, who started studying in 1932, just before Hitler came into power. He went to the University of Heidelberg and studied chemistry. He became an industrial chemist, emigrated under Hitler to Brazil, where he married

a Brazilian woman Zuleima. He is now retired and lives in São Paulo. He has a daughter Lucia Singer, who became a biochemist and is a professor of biochemistry at the University of São Paulo. She is also married and has a fully integrated Brazilian family. She married a Brazilian and comes over occasionally to England to attend conferences. We meet her so I am in touch with her.

But I never had a very close relationship with my brother. In addition to that, I had a younger brother. My parents had another son who is five or six years younger than my younger brother, so there was quite a distance from me. That boy was born mentally handicapped. He was placed in a home for retarded children, and he died when he was about seven or eight years old. He was not a member of the household. He was away. We visited him of course, but to my parents it was a great, great blow. To us, well, it was also a blow, but we were further from it.

RJ: But we should move on to the university period.

HWS: From 1929 onwards, Singer studied at the University of Bonn, where he sat a diploma exam. In Germany the equivalent of a B.Sc. or B.A. It was the Diploma of Economics, which I got in 1931. I am not quite sure, it could have been 1932.

RJ: That suggests you did it in two years.

HWS: There is something wrong. It should read 1932. After that, he was engaged as an assistant to Arthur Spiethoff up to the summer of 1933. Hitler came into power in January 1933, and, of course, in the first two or three months we did not quite realize what was going to happen.

In the summer of 1933, I was at the University of Bonn as an assistant to Spiethoff. Schumpeter had left Bonn in 1932 to go to Harvard. I had started my dissertation under Schumpeter, which was related to his theory of economic development. But when Schumpeter

left, I had to find another tutor/sponsor and that was Spiethoff, who was head of the department. Spiethoff was very friendly and nice to me, and we had a good relationship with him. Spiethoff's main interest was trade cycles, but also, as part of his interest in trade cycles, building cycles. Under his influence I started a new dissertation on building cycles, on housing and cycles in construction.

RJ: Is that why you chose urban land values as the topic for your thesis?

HWS: Oh yes, there was a direct link there, because I came to Cambridge with a half-finished dissertation, with a lot of work done in the previous months on that particular subject. And of course I was encouraged. To my mind there was no break between my interest in my early dissertation, which I had started under Schumpeter related to the theory of economic development, and the Cambridge dissertation, which was based on the work with Spiethoff, because I studied what happened. It was part of a study of the forces of urbanization, which was part of the forces of industrialization, and I applied this mainly to the UK, the cradle of the Industrial Revolution, on what happened to urban land values in the course of economic development or industrialization.

RJ: So your perspective—still sticking with the thesis—was how urban land values changed over what, fifty to one hundred years?

HWS: One hundred years.

RJ: So it was a dynamic perspective and not the working of the market in the short term.

HWS: Oh no, it was a long-term perspective. But then of course when I came to Cambridge, there was a new development which is in this piece which I have pointed out. In the new version they have included this. In Cambridge I got in touch with Colin Clark, and also I worked very closely with my fellow student V.K.R.V. Rao. Rao was writing a dissertation on

the national income of India and later became the author of a standard work on this. Colin Clark was, so to speak, a pioneer of national income statistics. Under the influence of Colin Clark, I entered my dissertation, not just the historical or dynamic aspect, but how do you include urban land values in national income statistics, and if you look at Colin Clark's book, *National Income and Outlay*—I am not sure of the date of publication—you will find there is a full chapter and special section on urban land values in British national income in the 1920s and 1930s, whatever the latest data that Colin Clark used. And there he specifically acknowledged that the section was based on my work in Cambridge.

To come back to Spiethoff. He was a right-wing nationalist, but not a Nazi. First of all he had employed me as an assistant, even several months after it had become quite the wrong thing for him to do under Hitler. Well I could not say it was dangerous for him because he was too much of an established figure. With his right-wing attitudes he was fairly safe from persecution by Hitler at that time, and also he was not subsequently much persecuted. But he was definitely not a Nazi. On the contrary, he helped not only me, but another Jewish young graduate student, a woman called Clara Tisch, but she died in a concentration camp. She did not emigrate. He helped her for one year, 1933 to 34. He employed her as long as he could, for a year or so. When he had to dismiss her, she went back to her hometown, which is now also part of Wuppertal. She was my neighbor, so to speak. But although Schumpeter knew and liked her very much, Schumpeter offered to see what he could do for her if she emigrated. She had old family members to look after, and she perished in a concentration camp. She never did emigrate.

But coming back to Spiethoff, then of course I lost touch with him completely. But after the war I suddenly got a letter from Spiethoff. He had to appear because of his right-wing sympathies before some tribunal. He had been accused of being a Nazi, and he just had to

explain he was not a Nazi in order to get his pension from the University of Bonn. And he asked me for a testimonial that he had not been a Nazi, which I gladly gave him, because I remembered what he had done.

RJ: Hans, thinking back to the 1930s again, and even the 1920s, did you attend the synagogue while you were growing up?

HWS: We were a very assimilated family, not religious or orthodox. There are two things that reminded me that I was Jewish. One was that we got the high Jewish holidays off from school three or four times a year, and we had to go to the synagogue. Otherwise we would not get the days off. That was one thing. Secondly, we got religious instruction once a week in school. Often the instructor was the local rabbi, Dr. Norden. He was a great influence. Dr. Norden was a wonderful man. We had tremendous respect for him. He was a very humane man. He did not try to influence us to make us into churchgoers or synagogue-goers. He did not try to make us orthodox Jews. Well, he was himself highly unorthodox. He was like most of the other small Jewish communities in that place, fully assimilated. Frankly, where we were brought up, we were the Rhineland Jews, the western Jews, some of them Sephardic in origin. They had come from Spain. My mother's family was living in the same place in the Ruhr-Rhineland for many centuries, probably since the days of the Romans.

In fact, there is a family history, a novel published about 1914, at the time of the outbreak of the First World War, written by Josef Lausch, who was raised to the nobility by the Emperor Wilhelm II, because he thought he was a great writer. He became Josef von Lausch. This was a nobility title in Germany. And he wrote a book which was quite popular at the time called *The Tragic Comedy of the Brothers Spier*. Spier was the maiden name of my mother, and the book tells of the history of that family in that particular place.

I have departed a bit from Dr. Norden. He was a great influence on humanitarian values. He was a model of a humane man. His religious instruction once a week was not so much Jewish religion at all. It was ethics you might say. We had very great respect for him. Later, when my father was arrested, he did a great deal to look after my mother. Also, Ilse met him and had a great respect for him. She was not my wife then.

RJ: I am struck by the way a number of people, perhaps even I should say us, have had experiences in our teenage or early university years that have greatly affected our values. When I asked Jim Grant about from where he got his humane commitments, his optimism, and his "can-do-ism," he went back to his secondary school teachers and to a YMCA teacher. But if you compare Dr. Norden with others, was he perhaps the most important influence on your ideas and values at the time?

HWS: He was certainly a greater influence than my teachers at school.

RJ: More than your parents?

HWS: My father was an influence but not by anything he said. He did not discuss very much. It was more by his example. I knew from a very early age how much good he did. I mean his patients were very largely working-class people who were very poor. Very often he treated then without any payment. He felt he had a tremendous commitment to his patients and he did a lot of good. I think my recollections are a little hazy, but my mother must have told me and impressed upon me what a good man my father was, and I probably heard his praises sung by grateful patients—quite possible, yes.

RJ: I also wondered how this influence fit with Schumpeter. What I understand of Schumpeter is what you have told me—that in many respects he was a worldly man and worldly-wise; that he wanted to be the world's greatest economist, the world's greatest horseman, the

world's greatest lover. And he proudly asserted that he succeeded in two! Now, those are not the signs and symbols of a person who is making a strong ethical point about humanitarian commitment and human solidarity.

HWS: No, but there are several things I should say. First of all Schumpeter opened a new world to me. I was of lower- or middle-middle class origin and a solidly provincial German. My life had been more or less at a local level. I read the newspapers and we discussed world events, and in a sense you could not be unaffected by the terrible impact of the recession and hyper-inflation, but still mine was a relatively secure world. We were not unemployed, my father was not unemployed.

In fact, I would now say, looking back on it, by the time Hitler came into power, my family had become reasonably wealthy—not really wealthy, but the old house where we lived had three floors. My father had his practice on the ground floor; we lived on the first floor and other people on the other two floors. It was a terrace house, not standing on its own, with a garden or anything like that. It was not that kind of a suburb. There were better parts of town than ours, but it was not the worst part of town.

Schumpeter reminiscing about what he did when he was finance minister of Austria, and playing the part of an Austro-Hungarian aristocrat, which he of course not really was, but then the great influence were my fellow students around Schumpeter, or at least a selected group, an inner circle, whom Schumpeter selected to talk to separately outside his lectures in his villa by the Rhine.

RJ: And you were one of those.

HWS: And I was one of those. That group included Wolfgang Stolper with whom I remain in touch, Wolfgang Stolper who has just published a new biography of Schumpeter to which I also contributed.

RJ: But I was coming back to the ethical points.

HWS: When you talk about the ethical points, the man who made the greatest impression on me in that sense was my fellow student August Lösch. Does that mean anything to you? August Lösch was perhaps, I would say, the most gifted of this whole group. He was a brilliant man; he was a deeply religious Protestant. He was a member of the "Church that Proclaims Itself" (that is a poor translation), but it was a Protestant group which, from the very first moment, dared to speak out openly against Hitler. He was a follower of Pastor Niemoller, the leading representative of the Bekenntnisse Kirche and a few others like him.

August Lösch had already written in Bonn several articles which made a major break-through to the economics of location, which he then made into a book. This has been translated into English too. He also wrote a number of articles and developed a special interest in all the area between geography and economics—location of industry, the location of economic activities, based on that also questions of duopoly which you can put in terms of location.

In fact the work of Lösch became for me the inspiration for one of my earliest articles which I can say more or less established me with [John Maynard] Keynes. Keynes liked that article and said some very nice friendly words on it. I published in 1934-35—I have to look up the precise citation—jointly with Abba Lerner, with whom I collaborated in Cambridge on this, an article called "Duopoly and Spatial Competition." I was, of course, influenced by Joan Robinson's imperfect competition, but it was mainly influenced by Lösch and the work of Lösch. I told Lerner about Lösch, and Lerner became interested in this.

RJ: So it was not just Lösch's good analysis, it was his humane commitments—his Christian commitments.

HWS: August Lösch could easily have emigrated to Harvard. He visited Harvard once or twice under Hitler in the Hitler years. He could easily have emigrated because he was an established and a brilliant man. He had already published the book—an English translation of it. The world was open to him. He refused to do this. He said my place is here to oppose Hitler. Then of course he had to go into hiding during the war as an anti-Nazi, of course. He was not a Jew; he was a Protestant. He came from a small town called Heidenheim, which is in southwest Germany, and during the war or shortly before the war he had to go into hiding. He led an illegal existence. He would have been executed or put in a concentration camp or possibly he would have been drafted into the army, which he would have refused to join.

So he led an illegal existence. He did not get proper ration books; he was more or less hidden and sheltered by other members of the religious group, which formed part of a very small German resistance. As the result of deprivation, he died towards the end of the war. In fact, until the end of his life, which was also the end of the war, he lived in Kiel—German Kiel not the English Keele. As a result of various people who were aware of him and what he had been doing and what he had stood for, when Kiel was occupied, he was more or less selected to become rector of the university. I am not quite sure, but I believe rector would be the equivalent of vice chancellor, vice chancellor of the university, or he would have become director of the institute, the Kiel Institute, another famous research institute, but he died just about the time the British troops took over.

I am in touch with his widow and have been for many years—his widow also lives in southwest Germany. The town of Heidenheim, his birth place, named a street after him. There is

a plaque on his house, and they have an annual meeting in this little place, at which an annual prize is given, the Lösch prize. I went several times to participate in them. August Lösch was one of my idols, and I had tremendous admiration for him. He was a great influence. Wolfgang Stolper, by the way, also was a member of the Protestant opposition. Stolper and Lösch.

But that was a wonderful time for me in Bonn years, until Schumpeter left. It was a wonderful time for me, mainly because of Schumpeter and those people around him. Schumpeter, for instance, forced me to learn a little bit of mathematics, econometrics, and statistics. He was a sort of an oasis in the desert of economics in Germany.

In a way, for me there was a big parallel, moving from Schumpeter in Bonn and later to Kings College, Cambridge. In each case in this little group, we were absolutely certain that the only place where really worthwhile study of economics took place was Bonn, and the only worthwhile teacher was Schumpeter. In the same way, when I came to Kings College, Cambridge, there was a big conviction that Cambridge was the center of economic thinking; no other place counted. King's College was the center of Cambridge, and Keynes was the center of King's College. You felt you were at the very heart of things. It was the same feeling in Bonn and then later in Cambridge. It was a curious parallel.

RJ: I believe, whether or not with the same justification, that with Dudley [Seers] and with you here in IDS (Institute of Development Studies), there was again a bit of a feeling that IDS was the center of sensible thinking on development.

HWS: Yes, well that's perfectly true. It hadn't occurred to me, but yes, that's true.

RJ: Leaving out now how much all of this was justified, it seems to me part of the ferment that leads to intellectual concentration, and even an esprit of academic corps, is this

feeling that one is right at the center. And also it leads to some dismissal, if not also some despising, of what is being done elsewhere. They don't really know.

HWS: It is the neglect of it. With the benefit of hindsight, I realize it was stupid, silly, the neglect and so on.

RJ: What do you think of the neglect of other work?

HWS: Well, for instance in Cambridge, we tended to look down on the work of people like Lionel Robbins. What was going on in LSE (London School of Economics) didn't count. But there is one thing I want to add and that I have thought to myself over a number of times is the feeling that we are the center of things. It also imposed on me, and I am sure it would apply to the other members of the circle, and in Cambridge there was also a similar inner circle of students. I mean Stolper, Lösch, there was another man called Zassenhaus, Clara Tisch. This was duplicated in Cambridge. There was Alec Cairncross, V.K.R.V. Rao, Bryan Reddaway, a number of others—then Bensusan Butt and a number of others.

In addition to having the feeling of being at the center of things, it also imposed a sense of obligation. You felt you had to contribute something yourself. If you didn't benefit from being in that highly privileged position of being at the center of things, well then you were not worth anything. You had to justify your privileged position. I think that was.

RJ: How much do you think your attitudes to the insider/outsider carried over to your early work in the UN vis-à-vis the World Bank? It seems to me there are a lot of parallels. The Bank has a lot of economic expertise, but it is not really at the center of true understanding of the issues of Schumpeter or Keynes showed. It surprises me always that you retain your cutting edge of critique of the Bank with just that little extra emotional kick.

HWS: Venom, venom! I think that the venom goes back to my period in the SUNFED (Special United Nations Fund for Economic Development) years and Eugene Black. I can talk about that, but what I would say is that after first Bonn and then Cambridge. Yes it is quite true, that when I joined the UN in 1947, I was recruited in 1946 but I arrived there in 1947. In a way I was already recruited in 1945, but I didn't take that very seriously. Well, there again I had the feeling of being at the center of things, very privileged to be there. After all, the UN was the home of mankind. It was then at the center of international organizations, the Bank and the [International Monetary] Fund were very much on the periphery in those days.

Yes, again you had the feeling you were in the center of things, but this time of course not as a junior member of an inner circle, but directly there. I mean I had the greatest respect for David Owen and others in the UN. I had a great respect for [Michal] Kalecki and Sidney Dell, for instance, who did much of the economic work in the early days of the UN. David Weintraub and Folke Hilgerdt, for whom I had a high respect in statistics. David Weintraub was deputy to David Owen. He was an American "new dealer" under [Franklin] Roosevelt. A wonderful man. He became one of the chief victims of the McCarthy era. He was dismissed from the UN, but he was a great friend of Arthur Lewis, who was then the chairman of the UN Sub-Committee for Economic Development. Weintraub had worked with Arthur Lewis, and Arthur Lewis had become very friendly with him. So when Weintraub was dismissed from the UN, Lewis got him a job as economic adviser in Trinidad. He died there.

There were lots of people for whom I had great respect and in some ways looked up to them for experience. I was still young. They had greater theoretical economic achievements. Kalecki had greater economic achievements. David Owen had been my senior partner in the Pilgrim Trust Unemployment Inquiry and taught me a lot about the British social security system

and so forth. But it was not the same. I did not look up to them as I had to Schumpeter and Keynes. This was a more equal relationship.

RJ: And David Owen surely was not the great intellectual.

HWS: No, no. But he was senior to me. He was some years older; he had done this unemployment inquiry. He was treated as a senior man, and then he became the head of the Economic department. He had recruited me, so he was the senior man. I mean it was such that our relationship was a strong personal friendship that developed through the period. But it was always understood that he was the senior man. He brought in Walter Oakeshott, the third man. He was also senior to me. I was the youngest of the three.

By the way did I tell you that in two weeks' time I go to London to visit the Oakeshott family, Walter's son Robert to attend a special lunch on the occasion of the publication of a biography of Walter Oakeshott by a man with whom I collaborated and provided material on Oakeshott.

RJ: Who is that?

HWS: A man called D'Arcy, who lives in Cornwall. The book will be published. When Walter Oakeshott died, he was rector of Lincoln College. Well I attended the memorial service for him, and they asked me to read the lesson at the service. As a lesson I read extracts from *Men without Work*, and the following day I gave a lecture in Oxford on Walter Oakeshott and his work. So now I am in touch with Robert Oakeshott.

RJ: Remember that I got to know Robert shortly after you, and I had first met in Addis Ababa, when Robert was in Zambia.

HWS: Robert is still doing a lot of work on employment for young workers.

RJ: Robert is the quintessential idealist. Hans, I wonder whether you could take us through the biographical article about you in Cambridge, but finishing first the bit about you in Bonn.

HWS: I was, until the summer of 1933, assistant to Arthur Spiethoff. However, for his subsequent scientific, scholarly work, he obtained much stronger impulses through his close contact with Joseph Schumpeter. Singer enjoyed his close contact with Schumpeter, together with a group of students, which included August Lösch, Wolfgang Stolper, who has a separate entry because he emigrated, Claire Tisch, and Gunther Harkort. It was also Schumpeter who in a letter to J.M. Keynes recommended Singer for a graduate scholarship in Cambridge, which was specially provided for victims of National Socialist expulsion. So Singer left Istanbul in March 1934.

I had emigrated to Turkey, because when I left Germany in 1933, I did not come straight to England. In the summer of 1933, I first went to Switzerland, to Zurich, because of Wolfgang Stolper, with whom I had become very friendly. Wolfgang Stolper was engaged to a Swiss girl whom he subsequently married. She was his wife for many decades. She died very recently in the U.S.—Heidi, his Swiss wife. I stayed with her family for a few weeks, I forget how long. Then I saw a chance of going to Turkey because Kemal Pasha, who was then the ruler of Turkey, wanted to build up Istanbul into a modern western-type university. That was part of his general policy—westernizing Turkey, modernizing Turkey—and he took advantage of the expulsion or emigration of German academics under Hitler to bring them to Istanbul.

One of the people who had gone to Istanbul was Professor Roepke. Professor Roepke had been an economist and had been professor at the University of Marburg. That is not very far from Bonn, and he had come over to Bonn on a few occasions so I had met him already.

Schumpeter liked him, I liked him, and what he said was if you come to Istanbul I will see what I can do for you. I didn't think he could do much because the Turks didn't want student types. They wanted established scholars who would train Turkish assistants and Turkish students.

In order to make a living—to survive—if I couldn't find any contact with the university, I had planned to open a bookshop in connection with the university, a university bookshop, together with a brother of another friend. The older brother had some experience of bookshops or publishing, either publishing or bookshops, or both. And my plan was to get together with him to set up a bookshop in Istanbul. The idea was that it was going to be a modern new university; it was getting established, the students would need books

But I had only been a very short time in Istanbul when I got a letter from Richard Kahn, that Schumpeter had written to Keynes and had mentioned my name as a candidate for this scholarship which King's College had established. Richard Kahn wrote that he thought if I presented myself for interview I would stand a very good chance. Would I care to present myself for interview? Well, I cared very strongly to present myself for interview. It was heaven-sent, just the thing for me.

RJ: So you didn't know about the Schumpeter contact with Keynes when you left Germany?

HWS: No, the first thing I knew was Richard Kahn's letter.

RJ: And that meant that the letter came from Schumpeter, when Schumpeter was already in Harvard?

HWS: Yes, oh yes.

RJ: And indeed had been at Harvard for a year or so?

HWS: Yes, Schumpeter went to Harvard in 1932, before Hitler came into power. It had nothing to do with Hitler.

RJ: But roughly when in 1932 was that? It doesn't matter, we can look that up. And then you left Germany for Switzerland in the summer of 1933.

HWS: First was Switzerland for a few weeks and then Istanbul. And the news of Richard Kahn's letter would have reached me, I would guess in December 1933, six months or a little more after I left Germany. It was towards the end of the year.

RJ: But had you written to Schumpeter in Harvard then?

HWS: Yes, I had written to Schumpeter.

RJ: Saying you were leaving or you had left.

HWS: Yes, I had written to Schumpeter. Oh, I can show you the letter that I had written to Schumpeter because Wolfgang Stolper had a copy of it. While Wolfgang Stolper was writing this biography of Schumpeter, he came across a letter I had written to Schumpeter and sent it to me. He said he thought I might like to have it. Here is a copy of the review of the book.

RJ: May I borrow the review tonight? In fact can I borrow the Schumpeter book tonight?

HWS: My review is not of the Schumpeter book; that has only just appeared. My review is of these two other books on Schumpeter. The Svedberg book and the Matts book. In their different ways—here is the review.

RJ: Yes, I would like to see that. I am more interested in yourself, but I would love to just see a touch of this.

HWS: My review was published in the *Economic Journal*.

RJ: So you wrote to Schumpeter when?

HWS: I probably wrote to Schumpeter in the summer of 1933.

RJ: Had you heard of this scholarship in Cambridge? You just wrote to him when you were thinking you would have to leave Germany.

HWS: Yes, I asked for his advice.

RJ: Did Schumpeter write back to you, or did he just write straight to Keynes?

HWS: Well, I believe—somebody told me he was working on Schumpeter? Schumpeter did write to me but of course the letter never reached me. By that time I had left Germany. Well, this is the review. I can't give you the printed version.

RJ: That's fine. I will return it all tomorrow. I think I will just stick to that.

HWS: It was interesting to see the love/hate relationship between Schumpeter and Keynes.

RJ: Hans, I think we have about another five minutes. I think you had better take me through the last bit of your biography.

HWS: One of the most awe-inspiring moments, by the way, for me, during my time in Cambridge was Schumpeter's visits. Schumpeter came for visits to Cambridge two or three times. Very regularly during the summer. I think he was there during the summer of 1933 and 1934 and 1935 while I was there. Each time of course, well, it was world-shaking for me. My two gods together, thinking of the expected wonderful things these two wonderful great minds were confronting each other, talking to each other. It was always extremely disappointing because they were two different people, they had very little to say to each other.

Then of course later Schumpeter developed a morbid hatred of Keynes towards the end of his life after Keynes had published the *General Theory* in 1936. By 1937-38, when the *General Theory* had penetrated to the U.S., Schumpeter's people had deserted Schumpeter and became

Keynesians. Schumpeter had reestablished a Bonn circle in Harvard with new people, very similar to his earlier circle. The Harvard circle had deserted him and became Keynesians. Schumpeter was deeply offended by that and turned against Keynes.

Schumpeter also was extremely jealous of Keynes's success as a politician and also as a speculator, a businessman. Keynes was extremely successful as a speculator. After some early troubles when he almost went bankrupt, Keynes became a rich man. He made King's College rich, and of course he became politically extremely influential. He became chief economic advisor where Schumpeter had conspicuously failed. Schumpeter had failed in speculations. He had got into debt. He remained a poor man all his life, repaying his debts, from his earnings at Harvard. Schumpeter had been equally unsuccessful as a politician. As minister of finance in Austria he was a great failure. He could not stop the inflation and on top of all that he was later deserted for Keynes.

He became morbidly hostile towards Keynes, to the extent that he accused Keynes in Harvard, of dominating Roosevelt. Roosevelt consulted Keynes about the New Deal. He said that Keynes was a British warmonger who used his influence on Roosevelt to drive Roosevelt into the war on the British side. As you can imagine at first this was taken as eccentricity. I don't think anyone took it very seriously at Harvard or at least that is what I am told by Stolper and others. Kenneth Galbraith told them this. It wasn't taken seriously. Then of course, when the U.S. entered the war, Schumpeter kept talking about this war being a British conspiracy, to draw the innocent Roosevelt into the war. Schumpeter became suspected of being a German agent. No action was ever taken, but he became very isolated at Harvard. It was a very sad story in the end.

At the end of the war, it was more or less patched up again. Schumpeter did not continue repeating this kind of talk. Schumpeter spent the last years of his life—I think he died in December 1949. He lived four years after the war and spent them more or less—he was very bitter and jealous of Keynes. He had no reason to be jealous of Keynes as an economist, as a businessman and a politician, yes, but not as an economist.

RJ: Why don't we just finish this brief section here?

HWS: Schumpeter recommended that Singer join Keynes at Cambridge. So Singer left Istanbul in March 1934 in order to continue his study at King's College, which he had been forced to interrupt or discontinue in Bonn. With Keynes and Richard Kahn, Singer obtained his doctorate in 1936 with a publication/dissertation on *Urban Land Values in the Industrial Revolution*.

That was the title. I worked as much with Colin Clark as I did with Keynes and Richard Kahn. After that, on a recommendation from Keynes, I participated as a research collaborator for two years at the field study of the Pilgrim Trust on Unemployment, in the course of which I lived in direct contact with people in the depressed areas—the crisis regions they called the depressed areas of Great Britain. The results of this inquiry were published in 1938 with Singer as a co-author under the title of *Men without Work*. We only started in 1936, and it lasted for two years plus. From this stemmed a preoccupation with the causes and effects of unemployment in the areas of the British Isles most hit by the great depression, the depressed areas.

There is a direct link to Singer's involvement in the fight against poverty and under-employment in developing countries. Well there is a direct link, but there is also an element of coincidence. But we will come to that later.

For a short time I lectured in political economy at the University of Glasgow. Glasgow had recruited me during the war but I was only able to get there in 1946.

In the course of his activity in the UN Secretariat, Singer had a multiplicity of positions. Among other things he was director of the Development Section, which had been recently created. He was also special adviser to the under secretary for Economic and Social Affairs—David Owen. (Biographers got that all mixed up. I was never called special adviser to David Owen. There was a slight mix-up there in the titles. I was director of the Development Division, which was part of the Department of Economic and Social Affairs.)

During this time at the UN, he also took part in numerous UN missions and acted as a consultant for governments and international organizations and played a leading function in building up the African Development Bank, the World Food Programme, and the UN Special Fund for Economic Development. In 1969, he was also involved in the initiation of the World Employment Programme of the ILO (International Labour Organization). During those years, parallel to his activities in the UN, he was also a guest professor at the New School for Social Research in New York. (But that's another story as to how I got there). During the 1960s, he was visiting professor at NYC and at Williams College in Williamstown in Massachusetts. This was important research.

In 1940 the war situation looked very grim; it looked as if Hitler had won the war. It looked as if the invasion of England was imminent.

In 1940 I suddenly got a letter at that time from a man I had never heard of before. Alvin Johnson. He was a well-known American, not only a scholar, but also a great friend of Roosevelt. He had a singular part in the New Deal. He was a very well-known man, and the letter said that he was the president of the University in Exile, the name of the New School at

that time. He had founded and financed and directed a place for refugees from [Benito] Mussolini and Hitler and other places. It was called the University in Exile. The letter said that several people at the University in Exile and Professor Schumpeter had mentioned my name to him, and it had occurred to him that if Hitler invaded England, prospects for people like me might not be good. I might be in great danger. I still have that letter at home by the way. It also had occurred to him that in the event of an invasion of England by Hitler, I might be able to escape through Dublin. Dublin was neutral. And if I presented the enclosure to the letter to the U.S. Embassy in Dublin, on the basis of the enclosure I would or might be able to get a visa to come to the U.S. And the enclosure was an appointment to the faculty of the University in Exile.

RJ: Without having been seen or mentioned, they just sent you an invitation?

HWS: It was an appointment so I could present it and get the visa. Of course, luckily I never had to use it. But you can imagine when I got to New York in 1947, one of the first things I did was to go to Alvin Johnson and thank him for this. At that time the University in Exile had been expanded and renamed the New School of Social Research. It still exists. So I called on Alvin Johnson to thank him. Alvin Johnson said, "Do you really mean it?" I could hardly say I don't mean it. So of course, I said I meant it. Alvin Johnson said, "Well you can show it. We have a desperate shortage of teachers here. We have all the ex-servicemen coming back with their grants and clamoring for teachers. We are desperately short of teachers. Come and join our faculty and teach in the evenings." And with that background I couldn't say no.

RJ: How much teaching did you actually do? How many hours a week?

HWS: Well I think my recollection is that on average during the academic year I did at least two evenings a week, sometimes three. After the UN business to lecture for one or two hours was very strenuous, but with that background I could not possibly refuse. That was my

recollection. I kept this up for five or six years. After that the shortage of teachers eased, and I started traveling a lot for the UN, and that broke the connection. I still gave occasional lectures at the school since they asked me to.

RJ: Hans, I think we should leave it for the moment, and then tomorrow I would like to ask you some questions about Cambridge.

HWS: Do you think it is good to continue with it?

RJ: I think it is quite useful, although much of it is in your autobiographical piece in the book of essays edited by Cairncross. This seems to me rather good.

HWS: They are two different things. The Cairncross account, but there is also the autobiographical piece in the World Bank publication *Pioneers of Development*, edited by Dudley Seers and Jerry Meier.

RJ: Yes, but that is shorter than your Cairncross piece. J.H. Oldham was a "one nation conservative," a left wing conservative. Do you remember anything more about J.H. Oldham? He didn't have any great impact on you. He was an interesting raconteur over dinner.

HWS: Yes, he was very nice, a very intelligent man. When he commented on our draft it was always worth taking his comments very seriously, but otherwise, no, no.

RJ: How much was the religious element in the Pilgrim Trust brought into this? Because if it was Bell, Temple, J.H. Oldham, they were all people who were social activists because of their Christianity.

HWS: The person who wanted to bring the religious element more into our inquiries, who thought we were not bringing it enough into our enquiries was Eleanor Iredale. She pushed it in that direction, but it was not in our terms of reference. If you read the book at least, or one of the working papers, we reported on church-going or mainly people who had dropped out of

church because of unemployment. Then of course this was of particular interest to Dr. Temple and Dr. Bell.

RJ: How much did Keynes follow the study?

HWS: That I couldn't say.

RJ: And did [William] Beveridge follow it?

HWS: Yes, Beveridge did. Keynes was not a member of the Pilgrim Trust Committee itself.

RJ: Was Beveridge?

HWS: Yes, Beveridge was. We had to go to the LSE to report to Beveridge.

RJ: And when the study was published, did Keynes ever suggest it should be presented to the PE Club?

HWS: Well, not to my knowledge.

RJ: And was Keynes very interested in it?

HWS: Anything of that kind, I mean as soon as it was finished. As soon as it was finished in 1938, I had to go to Manchester to start there, as I had been recruited before. I think it was just at the beginning of the new academic year when we finished this study. And I had to go to Manchester, so I was taken a bit out of the London/Cambridge milieu. Any presentation in Cambridge would have gone much more through David Owen, who was in London and became the Secretary of PEP, Political Economic Planning.

RJ: But Keynes surely had no great links with David Owen, and David Owen had no great links with Keynes?

HWS: No, no but David Owen was on the spot. He was in London.

RJ: My question is that *Men without Work* was not particularly the sort of study that would greatly interest Keynes as such. He was much more interested in macroeconomics.

HWS: Of course, again you must remember the study was published in 1938, and by that time the war was already brewing, and Keynes's mind was already turning to war economics. By the time our study was published, rearmament had already become the accepted policy. At that time also, partly as a result of the rearmament, but partly also for other reasons, unemployment was in fact beginning to fall in 1939. The worst of the Depression was over by that time.

RJ: Who were the people in Cambridge that paid any attention to *Men without Work* when it came out?

HWS: Well, certainly Richard Kahn read it. He was always very complimentary about it. But I don't remember.

RJ: Reddaway, Joan, [David] Champernowne, [Claude] Guillebaud?

HWS: Guillebaud? Yes, almost certainly.

RJ: Because this was Guillebaud's sort of topic wasn't it?

HWS: Yes.

RJ: And Guillebaud had worked for the ILO, hadn't he?

HWS: Yes, yes.

RJ: So that would be a definite link.

HWS: Philomena would know. We could ask her. Do you know her? She lives in Cambridge. She worked for many years for UNDP (United Nations Development Programme). I must check with Philomena on Guillebaud's attitude to *Men without Work*.

RJ: Philomena is now well over sixty is she?

HWS: Yes, but very, very active. She is one of the great activists in BAFUNCS (British Association of Former United Nations Civil Servants). You, of course, will have to become a member.

RJ: Yes, well they are trying to recruit me, Hans. Now just before we leave this, was *Men without Work* reviewed in the *Economic Journal*?

HWS: Yes, yes, it was. I forget now by whom, but we can check that.

RJ: And you write several times that when you were working on the Kenya ILO mission, the Pilgrim Trust study came to mind.

HWS: Inevitably, yes.

RJ: But at the same time, it surprises me that the Pilgrim Trust report didn't come to mind at other times over the 1950s or 1960s.

HWS: Well, let me put it this way. In the mechanical sense, since I was in the 1950s and 1960s together with David Owen in New York, we often talked about the Pilgrim Trust inquiry quite a lot. But that was the common experience, it was certainly very important to me. I think it was also very important to David. So we talked about this often and reminded ourselves, so in that sense the Pilgrim Trust inquiry was alive in our minds. But you really want to know its influence on our thinking.

RJ: Well, its influence on thinking and attitudes. If you were asked about formative influences on your interests and commitment to Third World progress, justice, perhaps humanitarian concerns, what have been the three or four formative influences?

HWS: Well the first answer is probably my own personal experience. At the time of Hitler, being a refugee, being a member of a minority, having to start life again, they were all more or less great handicaps against you at the beginning. I assume that is a natural driving

force. I mean that is fairly obvious. I would say I was naturally preconditioned to be for everything that Hitler was against, and against everything Hitler was for. So that is a sort of first starting point, surely. I would say it came naturally to me.

RJ: But if you set *Men without Work* against the study of the thesis, or your involvement in SUNFED, or your teaching in Manchester, or your involvement in the Kenya ILO report, or your involvement with DD1, the First Development Decade, in some ways I imagine that the coherence and intensity of living with poor families in different parts of England with your intellectual study, with your writing it up, with your small comradeship, with Walter Oakeshott and David Owen must have made that a very intense two years.

HWS: Yes, it was, but I would say this period taught me was that one tries to look at the world from the viewpoint of the under-dog—of the recipient, the victim. You may get insights into the world that are not open to people who look at the world from the top down, in other words. For instance, one of the first things I did in the UN, as you know, was a study of the terms of trade. When after looking at the facts of life, I thought if you look at foreign trade from the point of view of the poor countries, exporters of primary products, what does it look like? And it appears an unequal system that is weighted against them. That was the same way the unemployed in England looked at the unemployment insurance system. So to put yourself into the place of poorer people, that is why today I have a very strong sympathy and am very interested in what Robert Chambers here is doing, because he is doing a great job. He says you must put yourself in the place of the poor people. You mustn't tell them what to do, and I share that feeling.

RJ: It is the counterpart also of the top-down view of tending to blame the victim—"they are shirkers, they don't want to work, the developing countries, they don't get their policy in order, they are just corrupt, they don't really adopt good policies or make good use of them."

HWS: I mean the danger is of course that you go overboard in this. I mean today you won't deny that there is corruption, that there is bad management in poor countries, but what goes on to say that there are lots of other things in the world system as a whole that weigh the scales against them.

RJ: In Cambridge, what views did you absorb then of the colonial system and colonial countries? V.K.R.V. Rao was an example of a colonial, if you like, from India, although if I understand V.K.R.V. Rao was a fairly distinguished elitist colonial, I think, not merely bright and elite intellectually, but coming from a fairly well-to-do background. Do I remember this right?

HWS: Well he came from a very influential background, otherwise he wouldn't have been in Cambridge.

RJ: But did he give you any perspectives of how people from the colonies thought about imperial Britain and the anticolonial struggle? He must have certainly followed that in his time in Cambridge.

HWS: Oh yes. Well I never took any active part in anticolonial agitation or anything like that, but I certainly had a lot of sympathy. If I had been in charge of affairs, I would have given India independence in 1936.

RJ: Did you ever meet [Mohandas] Gandhi at that time?

HWS: No, but I met [Jawaharlal] Nehru.

RJ: When was that?

HWS: In 1951 or 1952, just after, when I lectured for the academic year at the Delhi School of Economics.

RJ: I was really meaning in the 1930s. One more question about the Pilgrim Trust. Surely it must have occurred to you when you were visiting these depressed towns and staying with families, that of course the German parallel was 1844, with [Friedrich] Engels coming to Britain for less than a year, I think, and writing up such eloquent prose and indeed seeing the forces at work that impoverished the poor. Did anyone make that point about the Pilgrim Trust having a young German on it, repeating one-hundred years later, actually ninety-two years later, the Engels study. Had you read Engels at that time?

HWS: Well I had read Engels almost as a schoolboy you might say. Yes, certainly as a young student. In fact Engels came from the place, which is now the same as my birthplace. The family were in two separate towns. He came from a town called Barmen, which is like the towns of Brighton and Hove.

RJ: My personal reaction to *The Conditions of the Working Class in 1844* is of unbounded admiration for the creativity and productivity it represented. For someone to come at that time to England for less than a year—for ten or eleven months I think—and collect and write up so much material was, even as a descriptive feat, incredible. But then to analyze the dynamic tendencies underlying the situation described with such creativity was remarkable.

HWS: That was a new parallel you have drawn to me there. I have never thought of this as a parallel.

RJ: I have to ask you finally, Hans, about Ilse.

HWS: You see by that time also a young German and so forth. At that time in 1936, I had become assimilated, and in 1938 I had stopped thinking of myself as German. You know

there was a colony of German refugees in Cambridge in 1933-34. Many of them had become very famous people. I mean Nobel prizes and goodness knows what. Lords and big people, big names. Well there was quite a colony. At first we talked a lot to each other; we felt like German exiles in a foreign country. And the prevailing feeling was that this was only temporary. Hitler was a sort of aberration; the Germans cannot possibly tolerate a man like Hitler, which was completely out of keeping with German history, civilization. It cannot be true.

For the first year or so, that was the general feeling. Everyone was more or less thinking of going back. But by the end of 1934-35, I think it had dawned on everybody, especially after the [Ernst] Roehm putsch—when Hitler had put down internal opposition—that this was not temporary and that was when the strong assimilation started. Of course, in the case of that group they were in a very privileged position at Cambridge. Assimilation for them was very easy.

RJ: Part of your adapting to the Cambridge world and, indeed, part of your perceptions of Britain must have been mediated through the eyes of Ilse.

HWS: In what sense?

RJ: While you were hobnobbing with Keynes and the economists, Ilse must have been having her own interactions. She hadn't yet gone to Argentina. I thought she went to Argentina in 1936.

HWS: She went during the Pilgrim Trust inquiry.

RJ: So in the early days, while you were getting established, Ilse must have been getting settled in, and then you must have been sharing different perceptions of England, of unemployment, of the intellectual excitement of Keynes on your side, but her involvement, perhaps even with a more woman's perspective.

HWS: Well, her interests in women's perspectives came later. It came in New York, after we moved to New York. I think Ilse was really concerned about the fate of her family, and she had her own circle of friends, but we had common friends also in Cambridge and early on in London. It's difficult to answer your question here. But we talked to each other, we shared experiences, we told each our impressions. I can't say much more than that here.

RJ: Well, Hans, let's leave it there for the moment. I would like some of your memories of the SUNFED story and the distribution of gains and losses from trade, but the more general work of economists in the UN and indeed any of your memories of these people I have put down on that list. So we might start with that tomorrow, particularly as you have written down the elements of SUNFED. So why don't we end here for today.

RJ: It is Friday, 13 October, and we are meeting with Hans Singer to discuss some of the early years, for the UN and early years for Hans. Hans, I wanted first to hear from you the account of how you first wrote that document on children for UNICEF (UN Children's Fund).

HWS: Well, my recollection on that is still fairly vivid. I had arrived in the UN in April 1947 and very shortly after this, Maurice Pate, who was the executive director of the Children's Emergency Fund, approached David Owen who was head of the Economics Department, with the suggestion that one or other of the economists in the department might take an interest in the activities of UNICEF, because UNICEF was to be transformed from an ad hoc emergency institution to a continuing institution dealing with children in need of support anywhere, regardless of whether it was an emergency or not. Of course, at that time the emphasis was heavily on emergencies, and there were very few economists in the department.

RJ: And that was being discussed at that time, was it?

HWS: Yes, that was my recollection. And David Owen sent the request to me because it was, partly for project reasons, when Maurice Pate explained that UNICEF was to be made permanent, continuing to mainly deal with poor children in poor countries. The password "poor countries" suggested of course a link with the development section of the Economics Department, as it was then called. So I was the man who was bureaucratically in line. David Owen also at that time specifically said to me—I must now paraphrase, I don't remember his precise words but I am quite certain he said to me something of the kind—that working with UNICEF might possibly link up with our common experience in *Men without Work*. It was the same, what we might now call the "human face approach" to development.

Well, I was very busy then; I was developing a study of terms of trade which developed ultimately into the [Raúl] Prebisch/Singer thesis on the deteriorating terms of trade which was creating quite a stir because it was in contradiction to the classical mainstream view—that the prices of primary commodities would tend to increase. I was very much absorbed with this, as it established my first links with Prebisch. Prebisch at that time was not yet in the UN. He had just started moving from Argentina to Santiago, to the Economic Commission of Latin America (ECLA). I had just established my first link, and my mind was full of this and therefore, rather foolishly as I see now, I think I gave Maurice Pate, or even David Owen as he wanted me to collaborate with him, I gave them a bit of a cold shoulder, in the sense that I did not respond. I thought to myself, "Children, that will be a diversion, and children have nothing to do with economics. I am supposed to be a development economist, and I have very little experience of work among children or the needs of children." So I did not respond.

But then, just a few weeks after I was approached by Maurice Pate, to which I initially failed to respond, I went up to Harvard to visit Schumpeter, my old teacher. And almost by

accident at Harvard, I heard a lecture by a man whom I had never heard of before, Nevin Scrimshaw, who was a well-known nutritionist. In that lecture, Nevin Scrimshaw explained that malnutrition, especially of young children during the first few years of their life, and even before birth, in other words, malnutrition of the pregnant mother, had a permanent and lasting effect on brain capacity. Children who had been malnourished in their early years and pre-birth would have a lower brain capacity; they developed fewer brain cells than normal children and even proper nutrition afterwards at later ages did not make up for this. They would be permanently handicapped in brain capacity and therefore a lot of money would be spent. Well that was my conclusion, but Scrimshaw said this too.

When I heard this, I thought surely if he is right, that means that lots of money that is spent on education, on training these malnourished children in later life is wasted, in a sense it has a lower capital/output ratio than it otherwise would have been. Of course thinking then, as we all did, in terms of formula, the Harod-Domar—the capital/output ratio was a big thing. This struck me then like lightning. Suddenly it dawned on me that what Maurice Pate wanted was not just a well-meaning human face—a humanitarian good thing—it was also a central thing in development economics.

So one of the first things I did after coming back to New York was I rushed to UNICEF to see Maurice Pate. I rushed down to the UNICEF office which was several floors below the Economic department. I rushed down to Maurice Pate to give him the message. I don't know whether he himself was there, but I just gave the message that I had completely changed my mind. I had realized that what he wanted from us was very important and that I was at his disposal, so to speak; I was his man. He gave me a certain amount of literature to read, and I

tried to inform myself, and then Maurice Pate after I assumed what I had done—I am not quite clear whether this was done by correspondence or orally, I cannot be sure now.

But after I reacted and responded to what I had read and what he had told me, he asked me then to write this very early UNICEF publication. I assume it was the first UNICEF publication in this more general capacity of UNICEF—not dealing with war victims, but of children, what one might call normal difficulties of poor children. The publication was, if I remember correctly, *The Role of Children in Economic Development*.

All I can add is, I developed for Maurice Pate the same kind of admiration in a way I had for William Temple, which I mentioned. He struck everyone immediately. First of all I was still very young then, and he was an older man, and I had for him the respect and experience of older age that he had and he had a wonderful background which I admired. I believe he was an archetype of a Quaker and a Quaker person. So I had a great admiration for him, and I even put the work on trade on the side. Children suddenly seemed more important even than the terms of trade.

RJ: How long did you spend writing the UNICEF publication?

HWS: Well, the writing itself I did very quickly, I think. I always do. But of course the preliminary reading, the collection of material, going through the UNICEF files to find useful material, that was most of the rest. Not the writing of the report itself. I can't remember what that took.

RJ: And all told, the document took you how long? Two or three months?

HWS: More than that. This went on, I mean to put an approximate time scale on it, my recollection would be that I went to Maurice Pate as a penitent as soon I had seen the light. At that time it must have been the summer of 1947 and from then on, six months counting from that.

RJ: So it was one of your major tasks of your first few months in the UN?

HWS: Yes, it was a self-imposed task. I mean no one imposed it on me, but after listening to Nevin Scrimshaw I made it one of my main tasks.

RJ: I remember when you first told this story to some of us in UNICEF in New York, you said that when you came back in your penitence to Maurice Pate, he looked you in the eye and said, "But can I really rely on you now."

HWS: Yes, well I wouldn't swear to those precise words, but something like that happened. My present recollection is that he expressed pleasure at my conversion, and he expressed the hope that this would now lead to the real collaboration. And I assured him, as far as I was concerned, I had all good intentions. So in deed as well as in work, I had seen the light.

RJ: Did anyone in the Economic Development group try and say, "Well look Hans, you are spending too long on this. Several months' work is too much; you should be getting back to proper economics like trade."

HWS: Yes, one person who thought this was Schumpeter, in fact. When Schumpeter—this must have been on a later visit—when Schumpeter asked me what I was doing, I explained trade, terms of trade and all this was of course the proper job of an economist. Whereas when I started talking about children—and even generally when I talked too much about developing countries, about sorts of unequal exchange and the handicaps of poorer countries—well in one of his statements I have never forgotten more or less in these words was: "Yes, that's all very interesting, but you are an economist." In other words he didn't think that was a proper job. He was probably right. Economists have no monopoly on those questions. They call for anthropologists, sociologists, political scientists, as well as economists.

RJ: But I think you are a bit kind in your comment in your World Bank autobiography where you say this, and on reflection you think Schumpeter was right in making this point, because he was thinking of a narrow economist as opposed to a broad and multi-disciplinary economist.

HWS: But he was right, as I said just now. He was right in the sense that economists had no particular or special advantage in dealing with these problems compared with other social scientists.

Maurice Pate looked me in the eye and said, "Are you really penitent?" And I think this maybe as I mentioned in an earlier statement yesterday or the day before, I think it was Alvin Johnson who had written me this letter in 1940, which I mentioned. When I went to him at the New School for Social Research he looked me in the eye and said, "You say you are very grateful for this. Do you really mean it?" I think that it where the precise description of that situation comes from. It was something similar with Maurice Pate.

RJ: But Jim Grant would look people in the eye and really bring home the challenge to them.

HWS: Well, Maurice Pate developed and had done some things very similar to him.

RJ: But just on this reference to Schumpeter, am I not right that in parallel, Keynes was the one who proposed the five shilling child allowance in the UK in the late 1930s or the war years?

HWS: Well, it was certainly true that the economic planners of the war economy of the UK came increasingly to pay attention to the problems of children. I think it was not so much an insight that Maurice Pate wanted to spread; it was more the requirements of the war economy. The men were away in the armed services, the women were away from home in factories, the

children were left alone—something had to be done, especially for children. The situation imposed it, and it was clear that the general rationing scheme would not cater for the special needs of families with children.

Unemployment had disappeared as a main cause of poverty. But the remaining main cause of poverty were large families, so everything the logic of the war economy drove into special action for children and the extra allowance, the extra rations, perhaps more important even was the use of the social services that were started during the war. Nursery and school lunches were introduced and extended, partly and simply because if you wanted the women to work in the factories you had to provide something for the children.

RJ: Coming back to the UN and children, in what way did you keep in touch with UNICEF or other work on children in the rest of your years with the UN?

HWS: Well, I always kept in touch. That is the phrase—I kept in touch—I knew where Maurice Pate lived.

RJ: Did you often go to dinner with him?

HWS: I did go to dinner with him, but I wouldn't say often. Occasionally, not often. I went much more often to lunch. We had many lunches.

RJ: Did he treat you as his secret weapon on the economic side, or perhaps not so secret?

HWS: Well, there was nothing secret about it. In fact one or two of my colleagues, on occasion even David Owen and David Weintraub, even more so, who was David Owen's deputy? He might tease me as Maurice Pate treated me as a child expert now rather than a development economist, but that was done in very good spirits. There was not the slightest attempt ever made to obstruct this collaboration.

RJ: Did any of the other economists in the UN at that time join in? Did any work themselves on these issues?

HWS: Well, not in the Economics Department. But of course you must remember in addition to the Economics Department, there was also a social department. It was the Department of Economic and Social Affairs. And the social part of the department was under Julia Henderson, and in that area of course, there were links developing, but I think Maurice Pate was keen to show that the welfare of children was an economic necessity.

RJ: Did Julia show much interest in this?

HWS: Yes, I think she did. I mean I could not specify specific items on which the Social Department collaborated with UNICEF or worked with them. But literature and research on publications of the Social Department in 1948/49/50 I am sure would bring to light a number of items. But in the Economics Department as distinct from the Social Department, as far as I remember, I was the only one, although I do remember that some of the younger staff members in the Economic department, the P-1s and P-2s, were very interested. They also had an instinctive feel for children's needs, especially the P-1s and P-2s from developing countries. One or two of them, in fact, later in life became known for work on behalf of children, either in their own country or possibly with UNICEF. But just now I can't mention any names. On reflection, possibly, one or two names will occur to me.

RJ: When I show you the list of UN names here, do any of them ring a bell as people making reference to children? Arthur Lewis, for example?

HWS: Children. Well, Julia Henderson. Joan Anstee was of course her successor as head of the Social Department. But after the Social Department was moved to Vienna, of course

I lost touch with it. But in any case, by that time, I was already on my way out from the UN, so my contacts were with Julia Henderson.

RJ: What about Julian Huxley, who was with UNESCO (UN Educational, Scientific and Cultural Organization) at the time.

HWS: I did not know him. I don't recall any direct contacts.

RJ: And John Boyd-Orr? Surely he was still head of the FAO (Food and Agriculture Organization) for another six months or one year, and he had campaigned on ending world hunger as the main thrust of FAO. He never approached the economists to ask for help in that goal?

HWS: No, not to my knowledge. I think you must remember that first of all FAO was away in Rome, and we were involved in New York, which was a big handicap in making contact. In those days more than it would be today. Secondly one must admit that FAO preceded the UN. Therefore FAO was already very well established as a working organization, a powerful organization.

It was John Boyd Orr's proposal for a World Food Board which made it a very powerful organization, already engaged in what would nowadays be called economic summitry. Whereas we in the UN in 1947, we were just starting to get our act together. Trying to find our role by setting up relevant governing committees, subcommittees for development, planning committees, we tried to recruit people, we tried to define our area of work in the very early stages, and, of course, also we were very much concerned immediately in this unfortunately unsuccessful attempt to establish a rational system of coordination with the World Bank and the IMF (International Monetary Fund). That was one of our preoccupations.

RJ: Tell us about that Hans. Were there formal discussions?

HWS: The World Bank and the IMF from the very beginning tried to keep these discussions as informal as possible. Their view from the very beginning was that they had been set up as independent and "nonpolitical." They always emphasized the nonpolitical character of their institutions, although they admitted that, in their terms of agreement and various constitutions, there were lots of references to coordination by the GA (General Assembly), by ECOSOC (Economic and Social Council), and so forth. What they felt was probably even more sharp than what they said: "Well yes, there were these rules on paper, and because these rules were there, we must discuss these matters." But well, they said then already what the new president of the World Bank Mr. [James] Wolfensohn said only a few weeks ago in Geneva when he said, "Collaboration, yes, coordination, no." Well that was their position from the beginning. It was always a handicap for us in New York.

In all these matters, of course, the position of the U.S. was dominant, in 1947 and even more so, a year or two later, when the Marshall Plan started. The position of the U.S. was what counted, and so it was always a big handicap for us. We were sitting in New York, and our bosses, the top people involved, were largely non-Americans. There was Trygve Lie, the SG (Secretary-General) who was Norwegian, there was David Owen, the head of the Economics Department—British—the main negotiator was Martin Hill, also British. And we were sitting in New York away from where things were happening in Washington. There was the World Bank—always an American post—hobnobbing with the U.S. congressmen and senators and officials, and they were sitting directly in Washington. So in these negotiations, because everything in the end was dependent on a decision by the U.S., we were handicapped, from the very beginning.

At that point, it was pre-McCarthy. It was not so much a matter of the UN being considered to be leftist and anti-American, the things that [Joseph] McCarthy spread or preached. It was simply the distance.

In one way or another, the UN was leading, more leading than the World Bank or the IMF was. For instance, in the early joint missions, the chief of mission was usually a UN man and some World Bank and IMF people participated. That became unthinkable a few years later. It was that kind of relationship. But as I said, the relationship was never defined or properly established because the World Bank and IMF and the Americans did not want it.

RJ: What was the British line at that time?

HWS: The Brits were very dependent on the U.S. A big American loan had to be negotiated. The Brits did not want to do anything to upset the Americans. They had no special position as such. They had no special reason to put the UN in a commanding position vis-à-vis the Bretton Woods. You could say they were more neutral.

RJ: Who were the other governments at that time with any real clout on economic issues?

HWS: There were a number of reasons. As mediators, between the U.S. and the rest in their own right, the Canadians were always influential. Well from the early days, the Nordic countries, partly because Trygve Lie, was one of them. From the very beginning they played a very supportive role for the UN. The Dutch, under the influence of [Jan] Tinbergen. He became the first chairman of the CDP—Committee for Development Planning—and became a very influential figure in the UN. He was also very influential in Holland, and perhaps because of that combination, the Dutch were very supportive. Tinbergen was another figure of great respect. I

developed a great respect. In his thinking he was a little bit similar to—he had some strains of Beveridge, some strains of William Temple, some strains of Maurice Pate in him.

RJ: When did you first meet him?

HWS: Possibly in New York

RJ: Not in the 1930s?

HWS: No, not in the 1930s.

RJ: So at one of the early meetings of the UN? And conceivably at the CDP? Was the CDP operating at that time? Surely it was only set up in the 1960s in the First Development Decade?

HWS: Yes, but not quite. The CDP helped to prepare the First Development Decade. It was not set up as a result of the First Development Decade. That is completely wrong. I mean the target of 5 percent growth or the 0.7 percent aid target was largely due to the preparatory work under Tinbergen.

RJ: But I thought that was the Second DD (Development Decade).

HWS: On no, V.K.R.V. Rao was also working on this.

RJ: But I thought the CDP was set up in the mid 1960s, partly to monitor the progress with the Development Decade as it was called, and partly then under Tinbergen to help prepare the Second Development Decade.

HWS: My memory of timing may be hazy, but let me give you a paper on this, which I presented at a recent meeting on what had been done under Tinbergen. I went into the timing.

The other thing I would say was that Tinbergen was in the UN long before he became chairman of the Committee of Development Planning. He came with the Dutch delegation, and perhaps more important, you might almost say he was the favorite candidate for heavy advisory

missions to countries helping them to draw up five-year plans, which was agreed first of all in the 1950s. They had to send missions, similar to World Bank and IMF missions today.

Today there is great faith in sending missions from Washington for three weeks and coming up with a structural adjustment program, or similar program. Similarly, in those days, we had great faith in sending three week missions of eminent economists to developing countries to come up with a five-year plan. We had two favorite people to head these missions; sometimes they were there together on the same mission. One of them was Tinbergen and the other was Nicky Kaldor. They were always involved with some of these missions. In the case of Nicky Kaldor, in the UN Secretariat, we always said if you ever listen when Nicky Kaldor is involved, it was largely based on the experience in Ghana.

RJ: Ghana or Guyana?

HWS: Ghana, but Guyana too. You are quite right. And several other countries too. We always said, when you have a mission with Nicky Kaldor, the budget of the mission must include the cost of the peacekeeping operation that is needed to put out the riots that followed the Kaldor five-year plan!

RJ: Shades of the World Bank adjustment missions in the early 1980s!

Hans, I want to ask you now about McCarthy. I am amazed at how little knowledge there seems to be today of the McCarthy period in the UN and the bad features, as well as the good features, in the response of individuals. So perhaps you would give us the beginning of how you saw it coming, give us the overview, and then I will ask you some more specific questions.

HWS: Well, the first thing I would say is that a few months ago one of the big British TV programs—ITV—put out a three part programs called UN Blues. The two last parts of this three-part series turned out to be very hostile to the UN—very critical. The first part was more

friendly and more factual, rather than critical of the UN. I was asked precisely that question. I talked for quite some time in the first part of the series on TV. The transcript of that should be available from ITV. There is something on record in answer to that question, so I can only more or less reply in a similar way as I did then.

The McCarthy period was a dreadful period in the UN. The staff became demoralized, especially the American staff members. People were watching with whom you were seen. The McCarthy committee had a room in the UN building—I think, on a lower floor; anyway the Economics Department was high up, so to us everything seemed to be on a lower floor. People were brought before this committee.

RJ: In the UN?

HWS: In the UN building. Trygve Lie forced them to testify. He more or less gave them to understand, that if they refused to testify, that would amount to an admission of guilt. They would be fired, more or less. Trygve Lie was very compliant with the Americans. He was in that respect a very weak Secretary-General, very weak. Would you like to me to talk about my own experience or other people?

RJ: Your own experience. Just give me the dates. Do you know when McCarthy established an office in the UN?

HWS: Well, the main period involved would be beginning in 1949, or possibly 1950, and ending in 1953 when Dag Hammarskjöld arrived.

RJ: So it was three years, if not three and a half or four years.

HWS: They were frightful years at the UN. The UN Secretariat has never recovered from those three or four years.

RJ: Why do you say that?

HWS: Well, the damage that was done then was never fully repaired. The self-confidence went out of the secretariat. Before that, we were a civil service of the world. We had the right to expect respect for decisions; we were there to see decisions were implemented and that confidence was destroyed through the McCarthy years. And I don't think we ever regained it. After that the secretariat became a technical thing, servicing committees, the development of new ideas became discouraged. It was heavily discouraged during the McCarthy period. At least any ideas that even remotely might annoy the McCarthyites were discouraged.

Coming to my own experience, I became the object of sharp attacks by the McCarthyites. Some of the reasons were not anything personal—there was nothing in my past to explain this. I was not, and never had been, a communist or member of the communist party, not even a communist sympathizer really, except in the very general sense that, of course, Russia had been an ally in the war and there was the Russian war performance. After the war there was also a good deal of admiration for the Russian system of five-year planning. It was very popular then in some of the early UN publications on development planning. They reflected the admiration and good opinion we had for the Russian central planning system which, with the benefit of hindsight, was probably not fully justified. Everyone was still under the powerful impression of the Russian role during the war.

The main reason why I became unpopular, or came under suspicion, was a few minor personal reasons. I was known to be very friendly with David Weintraub, who was the deputy director of the Economics Department and an American new dealer and as such he was one of the main targets of the McCarthyites in the UN. Finally he had to resign. I think I talked about him yesterday, but not this aspect of him. I was also known to be very friendly with Kalecki, who of course was an avowed communist and a staff member from a country behind the Iron

Curtain. At that time of course Poland was thrown into the same pot as Russia. Kalecki in some early UN publications, for many of which he was responsible, expressed a lot of support for central planning assistance. All that preconditioned me to be a matter of suspicion, and I was in a very senior position.

But the main reason was that I was the secretary of the SUNFED Committee, which did the preparatory work for this attempt to establish a multilateral soft aid program within the UN. It was an idea that McCarthy treated with hostility. He said it was part of a communist world conspiracy to take money out of the pockets of American tax payers and use it for the benefit of left-leaning characters in the Third World.

Now I must say that I suspect—I say this with some hesitation, because if you ask me I could not prove what I am saying now, so I must express myself very carefully—Eugene Black, who was the president of the World Bank and was not the target of McCarthy, he was considered to be a sound American, solidly anticommunist and "one of our boys" under McCarthy. I think Eugene Black secretly was quite happy about these McCarthy attacks on the UN, because all the time he went to great lengths to say, of course not using McCarthyite language—he did not say, of course, that this was a conspiracy to get money out of the pocket of the tax payer—but he did say it was a crackpot scheme, and it did not do anything to help development, and the UN people were not fit to be in charge of it. He put that in the form of objecting to the idea of a soft aid program.

I am convinced of this, although, as I said, I cannot prove it, but I think all the time he quietly and secretly did not think it was a bad idea to have a multilateral soft aid program. He wanted it, but he wanted it at the Bank—from the very beginning. Of course, his day came later. I think Eugene Black could have done something publicly to support the UN on the SUNFED

business, but he never did. Whatever he said was ambiguous and could be used by the McCarthyites and interpreted as support for them.

RJ: Do you think he gave them evidence more directly?

HWS: No, I hesitate to express an opinion there. As I said, I didn't consider it my business to investigate this a great deal.

RJ: Were you actually called before the McCarthy committee?

HWS: Yes, I was called, but I didn't appear. I was called before the McCarthy Committee, as I explained in the ITV program in some detail. I was called and went to the British delegation. I forget now to who; I have a picture of the British delegate, but I forget his name. I went to the British delegation to the UN, and they told me—which I knew, since fortunately I did not have an American passport—I was not an American citizen. I had a British passport—that as a British citizen, I was under no obligation to appear, and as far as they were concerned, I was fully justified to refuse to appear, which I did.

RJ: They didn't particularly discourage you from appearing or encourage you to appear. They really left it totally to you?

HWS: Yes, they left it totally to me. In a sense—the trend of what they told me I have more or less forgotten now—they more or less discouraged me.

RJ: Did any other Britishers appear?

HWS: I cannot answer that.

RJ: David Owen didn't?

HWS: Probably not, because I think among the senior British staff members, with the possible exception of Sidney Dell, I think of the British staff members I was in the most vulnerable position, because of SUNFED. David Owen was the top senior British staff member

and was also under suspicion. They did not like him, but somehow they concentrated their fire, not on him, but on David Weintraub. They probably couldn't find enough to hang on him. They didn't like David Owen, his work on social security matters. I think the same was roughly true of Julia Henderson, but of course Julia Henderson was an American staff member and therefore more vulnerable, but somehow she escaped the worst. She was not among the people forced out. One or two people committed suicide.

RJ: Do you remember who they were?

HWS: Yes, well, I have a feeling, but I can't remember the names. There was the Legal Counsel of the UN at the time, who was so troubled in his mind. He knew it was completely wrong and illegal to force American staff members to testify and to put them in the UN building, and he committed suicide.

RJ: He was an American himself?

HWS: Yes, he was an American. Oscar Schachter was also involved on the legal side, but he was not the man I was thinking of who committed suicide.

RJ: And when? Do you remember the year which was the height of the attacks on the UN, or did it just sort of grow and remain quite fierce?

HWS: The height was 1951-52, that period. Then in 1953 it gradually began to die down, and then the fading out of the McCarthyites coincided with [Dwight] Eisenhower becoming president. Eisenhower was a Republican, but, of course, utterly opposed to McCarthy. So when Eisenhower became president, he had the authority to disassociate the Republican Party from the McCarthyite wing, and then they began rapidly to decline.

RJ: So that must have been early 1953, if I am remembering correctly.

HWS: The election of Eisenhower—every four years, it would have been 1952 or 1956. Now that was the beginning of the decline of McCarthy.

RJ: Now did McCarthy actually appear in the UN itself, or was it left to others?

HWS: No, to the best of my knowledge I don't remember that he ever appeared. He had his right-hand man—the dreadful Roy Cohn. He would appear at the UN and conduct these hearings.

RJ: Was the UN mentioned much in Washington or in the House Un-American Committee?

HWS: Oh yes, the UN was considered to be the center of the communist conspiracy.

RJ: Really!

HWS: In the sense that the people there, especially from communist countries had diplomatic immunity. The McCarthy committee more or less considered all the citizens from these countries—Russians, Poles, Czechs, etc.—in the UN as spies.

RJ: To come back to yourself now. I seem to recall many years ago you telling me that even in Flushing—I mean in the school that Stephen was attending, that there were articles in the press about you and attacking you.

HWS: Yes, in the local New York newspapers—I forget the names. Two local papers. I say I became an object largely because of SUNFED. The articles said I was a member, always described me as the mastermind behind the devilish attempt to extract money from the pockets of the American tax payer. It was always linked with something. Otherwise they hadn't been able to unearth anything about me personally; it was the SUNFED Committee. If they had known that John Cairncross was my language teacher, maybe that would have been a piece of damning evidence.

RJ: When did you first realize that John Cairncross was "the fifth man"?

HWS: I had not the slightest idea. Only when it was in the papers here. Certainly Alec must have known before, but he didn't talk about it.

RJ: Has Alec Cairncross ever mentioned John to you? Not just mentioned John, but mentioned John's sympathies and active spying for the Soviet Union?

HWS: No, no.

RJ: Alec has never mentioned it to you?

HWS: No.

RJ: This is a diversion, but it is an interesting one. When I was reading his obituary in the *Independent* last Tuesday—I think it was—it made me wonder how much suspicion Alec Cairncross had come under, because Alec had had held quite senior UK positions, surely, in the 1950s and 1960s.

HWS: All one can say if one looks as Alec's career, it never seemed to have been affected by it. There was no sign that it was ever affected by it

RJ: But it means that there must have been MI6 surveillance of Alec Cairncross with particular attention, once they became aware that John Cairncross was a suspect.

HWS: Well, that is a reasonable guess, but as I said, I cannot throw any light on it.

RJ: When you next see Alec you should ask him.

HWS: Well, up to now I have had a sort of reluctance. We talked about John but never involved that part. We talked about his being a wonderful linguist, and we also talked about with Alec, in that Alec and John are so utterly different. John had a wonderful knack; well he was his own worst enemy. He had a knack of turning everyone against him. I think there was a morbid

desire, when he wanted to be friendly with someone or when somebody was friendly with him, he had to go out to offend him, to turn him away.

Alec, of course, is the opposite in the sense he had such a large circle of friends; he had a wonderful way of making and keeping friends. So we talked about that and that was the difference between them. Initially, I was friendly with the Cairncross family and to me, of course, my friend was Alec, and secondly John. John was only one member of five or six other Cairncross family members.

RJ: To come back to 1950-51 and the McCarthy attacks on the UN. Tell me about the reactions of people within the UN. You told me before that it had a very unpleasantly divisive effect on the UN and some of the nastiest aspects of human nature were revealed. I heard that at farewell present times, people would make contributions anonymously, and they balked lest their name be associated with someone who was leaving.

HWS: As I said, you had to be careful, even with whom you were seen talking. Many people felt they had to be careful. In the Economics Department the most vulnerable person of course was Michal Kalecki, and Kalecki collaborating with several people. The two most senior people with whom he had close collaboration were Sidney Dell and Jacob Mosak.

Well Sidney Dell firmly stood by Kalecki. He was one of the people who took a completely uncompromising stand against McCarthyism in the UN Secretariat. As a result he himself, I believe at one time, was under suspicion, mainly because of his relationship with Kalecki, possibly also because his brother Edmund was a member of the Labour politicians.

In the case of David Owen, as I said before, he himself was not under special suspicion or attack, but what was held against him in McCarthyite circles was that David Owen had been a collaborator of Sir Stafford Cripps and worked with him in the Labour government, and in that

capacity he had to prepare the preparatory conference at Church House, London. In the same way Sidney, well it was assumed he came from a family with leftist leanings, Labour party leanings. That's was in the mind of the McCarthyites to establish a prima facie ground for suspicion.

Then there was Jacob Mosak. Now Jacob Mosak was of course much more vulnerable than Sidney Dell. He was an American to begin with. I don't know whether there was something in Jacob Mosak's early background that also made him vulnerable; there may have been. You must remember Jacob Mosak grew up in Chicago in the days of the big depression and all the students at Chicago University were obviously left. The Communist Party was quite strong in the mid-1930s in that milieu. So there may have been something in his early youth. Therefore I don't want to be unduly harsh even for somebody who was not in that position. He tried to distance himself. There were all these nuances.

The worst case was a woman who was comparatively high grade—I would guess she was probably not a P-5, but P-3 or P-4. An American woman working in my division. I mean, I was so to speak her boss. It was a horrible time. Anyway she worked directly with me at one time. We all knew this woman was not qualified for that grade. She was one of those people who had been recruited in haste in the very early days when the recruitment process was still rather haphazard and lots of people were recruited because they were on the spot there. She was one of those people who had been picked up, and she should have been a P-1 or P-2 at most. After a long time in the UN it was always tricky to raise personnel questions, and people tried to avoid them. (I forget now, who was probably the personnel officer or administrator of the Economics Department. It was Frank Green who was British and also a close friend of David Owen. David

Owen had brought him into this job, and I became very friendly with him, so that was another person slightly under pressure but not fatally.)

But at long last, the department plucked up courage and terminated her, offering her re-appointment at a lower grade, if she wanted it. That woman of course went straight to the McCarthy committee and said she was being forced out because she was a loyal American and all these communists in charge at the top of the department were engaged in a conspiracy to drive her out, and she then reported also the tittle-tattle. She said to the committee—to put it in modern terms—she had been the subject of sexual harassment. The way she put it, all the men in the Economic department had slept with her. She was probably not very stable. I was also specifically accused by her of having slept with her and subjected her to sexual harassment, which was absurd.

She was good-looking but never in my dreams did the subject of sexual harassment come up. So you had all these shades of appeal. You had the people like this woman who used the McCarthy situation either to promote themselves or protect themselves against demotion. You had people like Jacob Mosak who were worried enough not to risk any open opposition. You had people like Sidney Dell who openly resisted. You had all shades of opinion.

RJ: Who was the most principled person in the UN as a whole, who showed resistance at that time—before the arrival of Dag Hammarskjold?

HWS: In a way, the legal counsel who committed suicide rather than remain in the UN and see this happening. I think that was an act of great courage. What can I say? My direct observations are more limited to the Economics Department.

RJ: And was the Economics Department more attacked than the political? But surely the political side, the Security Council, not so much the government people, but the Secretariat people in the political parts of the UN must have been attacked?

HWS: Yes, but of course the prominent American was Ralph Bunche. He was in the Trusteeship Department.

RJ: But he was trusted—he was not subject to any pressure.

HWS: Not to my knowledge.

RJ: I read rapidly Brian Urquhart's account. I don't recall anything in that on the McCarthy period.

HWS: Urquhart himself, because he really came to prominence when Hammarskjöld arrived.

RJ: He was very junior, you mean.

HWS: No, but again being British he was not vulnerable, and he was not involved with SUNFED or anything like that.

RJ: What about people like Tinbergen far away? Did they ever try to intervene or lobby with the SG?

HWS: Well, they certainly did. I mean Tinbergen personally gave me plenty of moral support.

RJ: From Tinbergen, from the British even? And of course Keynes was gone by then. Did any of your Cambridge friends support you? Alec Cairncross, did he show any support?

HWS: No, I don't remember this. I am not sure if I had asked for it—if there had been any danger of being fired from the UN, I am 100 percent certain I would have got that support. It never quite came to that.

RJ: But the newspapers—how many newspaper articles were there about you?

HWS: At least three, four or five. There were two different newspapers, one that came out in the evening and the *Daily News*. They were both New York papers. The *Daily News* was the more vicious one. The New York *Daily News* was completely in the hands of McCarthy. I am pretty certain the McCarthyite's had a conspiracy with the editors of the New York *Daily News*, deliberately to spread the names of the people, their addresses and so forth, in the hope of making their lives miserable and forcing them out in that way.

RJ: Did anything happen at home in Flushing where you were living? Was your address published?

HWS: No, I cannot say that. Our neighborhood, the area in Flushing, Queens, where we lived was not a conspicuously McCarthyite neighborhood. It was a very mixed neighborhood, partly Jewish, partly Irish, partly Italian, not much Orient, not much black. The black races were hardly represented. It was a white neighborhood, but not a racist neighborhood. As far as I know, none of our neighbors or teachers at school or parents of other people who went to school with Ernest and Stephen. We had two children in that school at that point. I can't recall any hostile action. But there was an awkward feeling when I talked to my neighbors, I knew they had probably read the newspapers and were wondering perhaps how much truth there was in this rumor.

RJ: This must, to some extent, have taken you back to Germany when you were leaving in 1933.

HWS: Well, it was different, but of the same general genre, but it was very different.

RJ: How did Ernest and Stephen take it?

HWS: Well Stephen was very young then. He was born in 1942, so in 1951/52 he would only have been eight or nine. Ernest of course was older, but I do not recall that he was in any way particularly affected by this. My feeling is that insofar as Ernest was aware of what was going on, which he must have been, he took it in his stride.

HWS: If anything it might have brought us closer together in a way.

RJ: And Ilse? Ilse must have been outraged.

HWS: Ilse was outraged, and at that time was pressing me to call it a day, to leave the UN and go back to England. And in fact I considered this very seriously. I would say about 1953—just before Hammarskjöld came—I applied for the chair at Belfast at Queens University, and I was short listed and unless my recollection is wrong, I was more or less given to understand that I might get this job.

RJ: That's what I remember you telling me during the Zambia mission when we had gone to Ndola to see Dag Hammarskjöld's grave and memorial. As I recall, you told me, it was because of Dag Hammarskjöld that you were persuaded to stay in the UN.

HWS: His arrival put an end to all thought of the UN. At Belfast, of course, I always thought to myself that one of the reasons I was so acceptable there was because of my religious neutrality. In a way I was an ideal candidate for them.

RJ: This was Queen's University, was it?

HWS: Yes, that's right. I think the man who got the chair was G.L.S. Shackle who later went to Liverpool. And I was very friendly with Shackle, we knew each other well.

RJ: But just describe in the last five minutes, Hans, the arrival of Dag Hammarskjöld and the quick departure and dispatch of the McCarthy office and the McCarthy representatives.

HWS: We had the feeling of a complete break, a new era. The first thing Dag Hammarskjöld did was to turn on McCarthy. He sent round a circular to the staff members saying the McCarthy era was now over, and as far as the UN was concerned, no staff member should feel under any commitment of any kind. But of course, by the time Hammarskjöld arrived, McCarthyism was already on the decline. It was done, and in a way Hammarskjöld was just formalizing what was already beginning to happen.

RJ: But they still had the office in the UN.

HWS: Oh yes. What Hammarskjöld demonstratively and openly said, symbolized the end of the McCarthy era. That was very important.

RJ: But, unfortunately, the practice of the U.S. in requiring a security clearance of all their staff members in the UN, as I understand it, has dated from that day.

HWS: That may well be. But in a way one cannot object to this. Because, I assume at least, the same security clearance is expected of any American staff member before taking a public post in the U.S. I am afraid I never thought about that particular part of it.

RJ: But I think it's not true of Britain, is it? If you work for a senior position in the British government, they probably require a security clearance but a senior position in the UN they do not. Anyway I am not quite sure what the pros and cons of it are.

HWS: I have no idea whether I was ever subject to any clearance. I suppose I wouldn't know.

RJ: It has never happened to me, so I don't know. I know it happened to Dudley when he became the director-general of ODA, as Dudley gave me as a reference. Hans, what was your level at that time, when you joined the UN? What was your grade?

HWS: I was appointed as a P-5. My first appointment was extremely informal, nothing was mentioned except a salary. It seemed very high to me, certainly by British academic standards, and of course it was tax free. I don't think those grades existed when my appointment was first negotiated. The first incident, if you like, that I can report was in 1945 at the time of the Preparatory Conference at Church House, before San Francisco. In 1945, I was in London. Then was the 1945 election that brought me to London, to join the new Ministry of Town and Country Planning, and I think it was around that time—early 1945—either I was in London on a visit from Glasgow, or I was in London because I was on my way to the Ministry of Town and Country Planning. It was one of the two.

For one reason or another I looked in on Church House, London. On the steps of Church House, London, I met David Owen. David Owen gave me my first inkling that he might become the head of the Economics Department at the UN. Then he said, I think, but again I cannot recall his precise words, he said something more or less like, "Well, why don't Alec and you or Alec or you join me there." Because we had grown closely together, all three at Glasgow.

Anyway he may have said something like this, but I did not attribute much importance to it. The UN didn't exist yet. But that was the first inkling.

The next thing I knew was in 1946 when I was called to the office in Glasgow of Sir Hector Hetherington, the principal of Glasgow University, a very powerful man. After pleasantries, he said "I have here a letter from David Owen." David Owen was a former faculty member of Glasgow. "I have a letter from David Owen who says he is the newly appointed head of the Economics Department and he says he wants either Alec Cairncross"—who was also a lecturer in Glasgow then on a leave of absence in order to join the Control Commission for the British Zone of Germany, which was in Bad Denhansen near Hanover. "David Owen wants

either Alec Cairncross or you to join him there for some time to help set up the Economics Department. How do you feel about it?" I was not very happy. I said I thought Alec was the man for the job. Something like that. I think they approached Alec first, I cannot recall, but they might have done it anyway. Alec was not available because he was appointed to the Control Commission in Germany and his wife Mary was expecting a baby (Frances) at that time. So Alec was not available and because of one thing and another. I went though I really didn't want to go. For me that was a step down, and I was quite looking forward to settling down in Glasgow.

RJ: But in those days, one wrote to the vice chancellor rather than the individual to explore their availability?

HWS: Well David Owen wrote to the vice chancellor. I heard of this, not from David Owen but then Sir Hector thumped the table—he was a very powerful—and said "No. One of you must go. If Alec is not available, you must go. David Owen is our man." He said something of that kind. "David is a Glasgow man—if he says he needs you, you must go. We will give you a two-year leave of absence and come back at any time after that. Off you go." And the two years of course became twenty-two.

RJ: Thank you very much indeed. Let us continue over Christmas.

RJ: This is Richard Jolly on August 20th, 1997, at IDS, Sussex, interviewing Hans Singer about events of the 1950s and 1960s in the UN and then in the 1970s and 1980s when Hans came to IDS. I hope John Shaw may join the interview.

RJ: Good morning Hans. I think we might begin with some of your other work in the United Nations in the 1950s. Last time we talked of SUNFED and your work for UNICEF on children and economic development. What were the other major activities which engaged your time and effort in the 1950s? What seemed to be the most important at that time and looking

back, what do you judge to have been the most significant in terms of the issues raised or the impact achieved?

HWS: Well the first thing that comes to my mind in answer to that question is the problem of commodities, primary commodities. I arrived at the UN at the time when the Havana negotiations for the ITO (International Trade Organization) were in progress. I came too late to participate directly. David Owen, I think, had hoped or assumed I would arrive before that. He wanted to involve me in the negotiations, but I arrived too late. But at the Havana meeting, the ITO was unanimously agreed. A secretary-general was appointed, Professor Coombs from Australia. We all assumed, therefore, that ITO would be established. This was pre-McCarthy.

We all assumed there would be no difficulty in establishing the ITO, and therefore a lot of work was directed to the problem of primary commodities. Now what I would like to emphasize—because there has been so much discussion about the Prebisch-Singer thesis of declining terms of trade—that our problem was not just limited to terms of trade. It was not a fixed idea that the long-term terms of trade of primary commodities would decline. I think we were more concerned with the problem of short-term volatility. It is still a tremendous problem. The annual trend in terms of trade is of the order of magnitude perhaps of half of 1 percent a year or something like that. But the average annual fluctuation—in year to year—of primary commodities prices is of the order of 15 to 20 percent. So volatility is a big and immediate problem. It has attracted our attention particularly also, because of what, in present terms, I would call our interest, emphasis on macroeconomic stability.

RJ: Were there any particular countries that felt the volatility problem and that pressed their concern within the UN, or was this more your own analysis?

HWS: No it was our analysis. But we did not press this. But because of our concern with commodities generally, a UN Commission on Commodities was set up which included Professor Charles Carter. Therefore, in England, it is often known as the Carter Committee although, in fact, the chairman of the committee was Jan Goudrian from South Africa, an Afrikaner economist who had advocated (together with Keynes, at the time) a commodity-based world currency. This would automatically have stabilized commodity prices and prevented—not necessarily long-term trends—but would have prevented year-to-year volatility. I became the secretary of the committee which met from 1950-51 onwards and published its report in 1953. I became the secretary of the committee, and, contrary to the normal practice of anonymity of secretariat members, the committee did mention my work as secretary of the committee in their report. The focus was not a particular country or a particular commodity. It affected all developing countries. At that time, developing countries could be identified (with only a very small margin of error) as exporters of primary products and importers of manufacturers. Today this would not be a good definition of developing countries, but at that time it was accepted as a definition. Therefore, we assumed this would affect all developing countries and all commodities, including oil.

RJ: Over the period of this committee's work, commodity prices must have soared. Because if they started work in 1950, was that not more or less the beginning of the Korean War? And they finished in 1953, when the Korean War was still just running, or was the Korean War over at that time?

HWS: Well the Korean War didn't worry us very much, as I said before, if you were particularly interested in volatility. On the contrary, when prices shot up during the Second World War and then again, during the Korean War, it was another example of volatility, of

external events beyond the control of developing countries, creating such fluctuations in their balances of payments and in the real exchange value of their currencies that rational planning at the time was not possible. Our interest in commodities was based on the thought that rational planning for developing countries especially the smaller ones was impossible if they depended so strongly on the export of primary commodities, with this extreme volatility.

Speaking for myself, as I was part of a mainstream, we were all very impressed by [Paul] Rosenstein-Rodan and [Ragnar] Nurkse's views on what we would now call balanced growth. When you have an overall macroeconomic policy it can make use of what Albert Hirschman later called linkages in the economy. As Rosenstein-Rodan explained, when you try just to expand shoe production, you don't get very far, because the income of the additional workers whom you employ is spent on things other than shoes. But if you look at the economy as a whole, if you advance simultaneously on many sectors, this particular obstacle to growth disappears. This is very closely related to what is today called endogenous growth theories, the kind of growth that feeds upon itself. But this is only possible if you have a macroeconomic policy, with these wide fluctuations, 20 percent or so. The war, of course, caused such a wide fluctuation. And then immediately after the Korean War, when this report actually came out, commodity prices relapsed again violently. So the Korean War, if anything, supported our theory. Our view, which became linked with our interest in commodities, was that the success of an individual development project depends not so much on the soundness of the project itself but on cost-benefit analysis—whether it has been properly prepared and properly exists, carried out, all these things are obviously important, but they are not decisive. I don't think any of us was tempted to run this down or minimize the importance of good project analysis. But we came to what was then called the fungibility of projects. In other words, when you start a project, success

of that project depends not only on the soundness of the project but on what happens in the economy in general.

RJ: I find this point totally ignored by most of the donors today, when they ask for projects that are sustainable. And they somehow think of the project and its immediate components as determining sustainability rather than, the same point, that sustainability depends also on the whole of the situation in the economy and indeed in the world economy.

HWS: But, of course, this emphasis on fungibility. I'm not quite sure, but I think I can claim to have invented this term, to have been the first to use this term in connection with projects.

RJ: When was that precisely?

HWS: It was published as an article later in the *Economic Journal*, in "Lending for Projects or Programmes," I think. I will give the precise reference later; it will take some time to find this out. And of course, this had a big influence on the World Bank, because the World Bank, which had been limited to project lending, introduced program lending. It suited, at that time, Mr. [Robert] McNamara, who was the president of the World Bank.

JOHN SHAW: If I can interject on two interesting points that Hans might be reticent to mention. First of all, Hans was requested to coordinate the production of the proposals for action in the first UN Development Decade. And secondly, I have a strong feeling that he had a hand in the preface that was written by U Thant and signed by U Thant as the then Acting Secretary-General. The two points that were mentioned that there has been increasing appreciation of the need for a number of new approaches: The first, the concept of national planning, which we've already touched upon, and secondly there is now greater insight into the importance of the human factor in development and the urgent need to mobilize human resources.

RJ: Very good.

HWS: In my lectures in Ankara in 1951 (which I now got hold of in two boxes that I discovered), one of the lectures was specifically on the subject that it was wrong to distinguish between productive investment and social investment. Social investments could be as productive, perhaps more productive than so-called productive investment. But again that was really the influence of Maurice Pate, the first executive director of UNICEF.

RJ: That's a nice reference. Hans, before we leave the World Bank, as we should in a moment, two other questions. Suppose SUNFED had been set up with anything like the money of IDA (International Development Association) but within the UN, would the UN have been able to cope? And how might it have changed the operations and workings of the UN?

HWS: The UN would not have been able to cope with a very large SUNFED, say on the dimensions of the Marshall Plan, with its existing resources at the time. But I can only emphasize again, that when the World Bank shifted to program lending, and later to structural adjustment lending and conditionality, they also at the beginning did not have the resources. Their staff consisted of people skilled in project analysis, in cost-benefit analysis. They also had to build up capacity to do this. But with the resources which they commanded, much greater than the resources of the UN, they were able to build up that capacity. In the UN, we would also have had to build up that capacity. When the SUNFED discussions took place say around 1954, 1955, 1956, neither the World Bank nor the UN would have been in the position to undertake SUNFED.

RJ: And, secondly, you proposed quite recently, that one of the ways of getting a better harmony between the Bretton Woods and the UN institutions would be to move in both cases to a common voting pattern, neither the UN pattern nor exactly the current Bretton Woods pattern.

Suppose that had been done in the 1950s, do you think it would have made any difference to the donor position towards SUNFED?

HWS: That is counterfactual history; it is difficult to speculate. The unfortunate fact is that the SUNFED discussions coincided with the McCarthy era. And in the McCarthy era there was no prospect, no possibility of either the Bank or the UN getting SUNFED.

RJ: Even though McCarthy was actually over by then? By the end of 1953, the McCarthy unit had been moved out of the UN on the first or second day of Dag Hammarskjöld taking over as Secretary-General which was 1953 I think.

HWS: Yes, but still you had a Republican administration in Washington. Eisenhower, of course, was president and had to look very much over his shoulder at the Republican majority. So even though it was no longer McCarthyite, it was still an unfavorable atmosphere for international organizations and especially for the UN.

I'm digressing now because John is here. As a matter of history, it's rather interesting that in the case of food aid, which was so infinitely more popular than SUNFED, it was the Republicans in the U.S. that took the early initiative.

RJ: Encouraged by the food lobby?

HWS: Yes.

RJ: So not so surprising? Because you were the farmers' friend, not the taxpayer's enemy?

HWS: Yes. But it was [Richard] Nixon, in the presidential campaign of 1959-60, who first proposed a multilateral food aid program and that was then taken up by [John F] Kennedy and [George] McGovern and [Hubert] Humphrey. Also there had been discussions of this with

all of them before, but it was rather interestingly at that point, when it came to food aid, the situation if anything was reversed.

JS: Hans, unfortunately there's a little more interpretation required there. As you know in the 1960 presidential campaign, there was quite a struggle between Nixon and Kennedy. And Kennedy had already intimated that he was interested in a multilateral food aid facility, to the extent that he even wanted to call another international conference. Nixon to a large extent wanted to out-maneuver Kennedy and so took up this initiative and you might remember got Eisenhower, in his speech to the UN General Assembly in September 1960, to mention the possibility of a multilateral facility. But the twist in the tale is this. I have been recently in correspondence with Don Halberg, and Don, you will remember, was the one who worked with Nixon on the multilateral food aid proposal. Don's interpretation—when I put to him what if Nixon had won the election and not Kennedy—is this: he was convinced that food aid would have been used for war, not peace. In other words, working with [Henry] Kissinger, they would have used food aid strongly as a diplomatic pawn to the almost exclusion of humanitarian and developmental assistance. That's an interesting point that Don wanted to make.

RJ: An extremely interesting point. I wanted to take us now onto the Development Decade. The points you just raised, John, fit very well because of Hans' close and major involvement in drafting the Blue Book Proposals. I wanted to ask Hans what lay behind President Kennedy coming to the UN and making his speech. In the earlier tape you referred to the fact that Kennedy said we will put a man on the moon before the end of the 1960s and, as counterpart to that, we must do something in developing countries. That I think was the point you've made. And now we've just heard from John of this interaction with the idea of an international conference on food aid and the Republicans and Nixon and Kennedy roles in this.

Were there other elements of background to this idea of creating a Development Decade? Do you know who in the UN first thought of this?

HWS: Well, I'm now more speculating than speaking from direct knowledge. But Kennedy had been elected in the last month of 1959. He was of course hoping for two terms, and he probably would have gotten two terms if he had not been assassinated. Ten years also fitted in with our general optimism; it was part of the idea to set more definite targets, to stop talking in general terms. Ten years was already in itself a target. What can we do in ten years—corresponding to the present idea of halving poverty by 2015 or whatever—and then we were encouraged within that ten-year period also to set more specific targets. That's where the 5 percent growth target came in, and the target of 1 percent total resources, 0.7 percent aid. It was all part of the idea of becoming more definite, to stop talking in general terms and try to do something specific. If you want to be cynical, something specific that Kennedy could point to in the next election campaign.

RJ: But were those ideas growing out of Kennedy and the interaction with the Republicans, or was there independent thinking within the UN? After all, over the whole of the 1950s, as you've been explaining, the UN economists were involved in many particulars of policy and planning. But the idea of a Development Decade, did that not come up in any way on the UN side?

HWS: No. To the best of my knowledge, that came from the Kennedy side, to the best of my knowledge.

JS: I've gone in some considerable detail in my book on the World Food Programme into this interesting area. Kennedy was strongly motivated by a number of factors. First of all, he was highly convinced about the value and importance of the UN and multilateralism. He saw this

not only in terms of humanitarianism but in terms of the salvation of mankind—peace. He also saw it, of course, as an out-maneuvering facility against communism and the Cold War. This nexus of development and peace in a multilateral framework was constantly harped upon. And in my book I quote not only his famous inaugural address but the address on the State of the Union in the same year and in the two following years where 1) he announces deep commitment to the UN and 2) he spoke about peace and the outflanking of the communist horde.

The other latent factor which I noticed was that he, motivated more by his supporters, needed to broaden the base of development aid and support. In other words, to get others to cooperate with the U.S., to have greater burden-sharing, and through the burden-sharing approach, greater commitment by the allies in the whole process. In that process, Hans, you might remember, Adlai Stevenson was an important force. His position, as the U.S. ambassador to the UN, was certainly another factor in supporting and even urging Kennedy to take up a strong UN stance. I never actually found the direct evidence that Adlai had really motivated Kennedy to make the proposal, but I did have concrete evidence that Kennedy had shown the first draft of his UN speech to Stevenson and, in fact, I have the comments of Stevenson on that draft. And where this was mentioned there was no comment by Adlai, I interpreted that to mean, of course, full support, implicitly full support.

RJ: But it still is an interesting question, who had the boldness to propose an international Development Decade?

HWS: I wish I could say it was the UN but to the best of my recollection—

RJ: No, no, even within the U.S. administration. Kennedy had his economic advisors—Kenneth Galbraith, Walt Rostow—it could have been one of them.

JS: No. Rostow, I've got very strong evidence, was mostly anti-UN.

HWS: Well, no, I'm now speaking about who were the economic advisors of Kennedy. Kenneth Galbraith was the leading advisor; I think Hollis Chenery was quite influential also. Walt Rostow was not on the Development Decade.

JS: The more important supporters were, one, George McGovern, who was always a very strong supporter of the UN as well as food aid. But secondly, his speechwriters. I've got a very nice quote where Dean Atcheson says, look in the last resort, the power lies in the pen of the speechwriters, and you might remember, Hans, the U.S. representative on ECOSOC, a man called Klasenback. Remember? He was a very strong supporter of this but lamented the fact that there was a complete confusion between Washington and New York. The senior staffs in the State Department, especially, and the staff at the UN, regarding strong support for the UN. In fact, I quote, in my book the correspondence between him and Stevenson and subsequently his visit to Washington, where he spoke with the speechwriters and others in supporting this decade. So my research in the archives suggests that most if not all the initiative came out of the Kennedy camp. I found no other evidence.

HWS: That's my recollection, too. I think that most we could claim, or I could claim for the UN, is that we had always said the job is feasible in a limited period of time. We were over-optimistic, yes. We never said it was soluble in ten years, but we always said development is not an impossible problem.

For instance, if I might relate this to one of my first missions in Brazil. The Brazilian northeast, the poorest part of Brazil. In Rio de Janeiro, which was then the capital of course, the general view was that this was an impossible task. You have millions of people in ignorance, illiterate, hopeless people. This is a burden that we will always have to carry. We must put our development into São Paulo and Rio, and that will help the northeast. There will be jobs, there

will be out-migration, we will be able to get resources to relieve the most extreme poverty, to prevent famines, and then the purpose of not just me, of our mission, me in conjunction with a group of younger Brazilian economists, which at that time included Celso Furtado, Roberto Campos, and some others—We said no, no, no. This is a development problem. You can do something by putting resources into this area. It's not God-ordained for all eternity that the northeast must be a burden on your backs. Now that we always said in the UN of developing countries, in general, which fits in with the ideology of the decade, to my mind.

My recollection is that when Kennedy uttered his magic words, it came as a complete surprise to me. I can only compare this with the equally complete surprise, happy surprise, when I listened on the radio to [Harry] Truman's inaugural address. And Truman came to point four, the expanded technical assistance program. And my recollection is that we had no previous warning in the UN at least I hadn't.

RJ: That's American leadership at its best. John you wanted to ask?

JS: One question to answer one point. Hans did you have a strong influence in getting the gestation period right? In other words, the early expectations were for rapid, quick growth, somewhat, I suppose, influenced by the Marshall Plan, not too much though. In other words, it wouldn't take just one or two years, you needed time, but secondly Rosenstein-Rodan's point. You might remember that when he was at Harvard and they did the special study on U.S. aid policy his point, too, was you've got to have the adequate amount of resources. Remember that, Hans, and how that influenced too your work in the Select Committee in setting up the World Food Programme?

HWS: We talked about this before you came.

JS: But that point about the gestation period.

RJ: Kennedy proposed the decade, but the 5 percent, where did the 5 percent growth rate target come from?

HWS: Well, the 5 percent came from the UN Secretariat. This was a simple back of the envelope calculation based on the Harrod-Domar formula, more or less, but assuming a capital output ratio of 3 to 1, whichever it was assumed at the time. It was very primitive. But the 5 percent also happily coincided with convergence, that the developing countries would not fall further and further back. Five percent was also the growth rate of the industrial countries more or less.

RJ: Well if so, it's a strange sense of convergence, if I may say, because it would imply a widening absolute gap as we all know.

HWS: Yes, preventing relative divergence.

RJ: In fact, what we've seen over the last forty years is widening gaps for many parts of the world, even with faster growth rates on average in developing countries. And then, of course, for the least developed countries, we've seen widening relative gaps, too.

HWS: It was a very modest conception of preventing divergence.

RJ: But I'm interested, Hans, in relation to the Blue Book, the details of preparing the Development Decade. Who were the people, and who were the forces opposed to what you were drafting? Who said, well don't be unrealistic, you're dreaming too much? Were there forces? Were there pressures from either governments or within the Secretariat?

HWS: What, I remember of that time, the main pressure came from the specialized agencies. They were very worried that the Development Decade would be the sort of blanket concept that would undermine their independence and their separate autonomy and so forth. And, therefore, as a UN staff member, I was under constant suspicion of undermining the

specialized agencies (in this case excluding the World Bank and IMF). I'm talking about FAO now.

RJ: FAO more than the others?

HWS: No. FAO was among the most powerful of the specialized agencies. And [Amartya] Sen was the most powerful man, and that is where my association with Sen started, which then led to the committee on the establishment of the World Food Programme.

RJ: But I want to stick to this question of opponents and supporters. It's some while since I looked at the Blue Book, but my impression is on education, that most of the proposals drew on UNESCO's work at the time. So far from UNESCO feeling any reason to feel left out, I would have thought (providing you included their goals from those regional conferences and so forth), they would have been quite happy. Now was that not so also with FAO, with ILO and WHO (World Health Organization).

HWS: What I wanted to say is that in drafting this, I was leaning over backwards to reflect the views of the specialized agencies, because of their otherwise suspicions and oppositions.

RJ: Yes. That's understandable, that doesn't worry me too much then.

HWS: But then they didn't oppose. They just wanted to make sure they were properly included. But were there any other people in opposition? If you tried to produce that document today, I suspect there'd be many people—six months ago, led by the British government, if I may say—to say we don't need another decade, we don't need more quantitative goals and so forth. The fact that recently DAC (Development Assistance Committee) has come up with their excellent set of goals relates directly to the UN conferences of the 1990s, and again the UK was a strong opponent for most of those conferences: "unnecessary, more words, waste of money."

Even in DAC, the first draft of the document on 2015 was very weak. It was Japanese pressure that said, "No we must have something more specific." So I come back to the question was it all milk and honey, positive thinking in the 1960s? I find it difficult to believe that there were not more professional doubts among some of the people within the UN and political pressures and opposition from some of the governments.

JS: Again, from my work in the UN archives, I strongly recommend you go back to the verbatim reports of the Second Committee. There you'll find a very strong and strident opposing voice—the USSR (Union of Soviet Socialist Republics). There's some extremely interesting exchanges where they said quite explicitly very early on in the debate, "This is nothing more than the outcome of a domestic political debate in the United States." And they tried to fob this all off in that perspective.

RJ: Ironically, what you've just said about Nixon and Kennedy shows a considerable element of truth in that statement, at least as John has just reported it, as to the origins. Now, the fact that probably the three of us would say that the Development Decade and its many sequels, had on the whole been very positive in reality, shows that a critique based on its political origins in U.S. domestic politics were a very narrow point compared with the later genuine international impact.

JS: There's no question about it that one strong motivating force was the internal politics of the U.S.

HWS: Just as the Marshall Plan was politically motivated, in addition to other things possibly, but certainly to build up Western Europe and Japan as a bulwark against communism. Well in the same way, the Development Decade was conceived as showing that the Western

approach to development problems can get results and there's no need for communism. That was the background.

RJ: Let me ask us to spend five minutes or so on this question of the Cold War, because I'd like to read a question I've put down to ask you, Hans. It is often said that the Cold War divided the UN, rendering powerless the Security Council and much besides. To what extent was this true of the economic and social work of the UN? To what extent was there a polarization in the ideas or the groups working within the UN? To what extent were you, Hans, as a pragmatic Keynesian, able to avoid the polarizing tendencies? Did you tend to be pushed to one side or another, or could you maintain a balance?

Those I think are very interesting and relevant questions. You were saying, ironically, that with the Marshall Plan and even with the Development Decade, there were elements of domestic U.S. politics, elements even of the Cold War, in the origins of these proposals, and certainly elements of a negative reaction from the USSR in their response. That was in the political frame of the origins of debate in the Second Committee. Within the Secretariat, were you conscious of these different pressures? Did you tend to just ignore the Russian position, or by the early 1960s, did Russian Secretariat members tend to follow the party line and oppose the technical work? Did you just ignore them? Were they hackmen who really had no influence?

HWS: We had very few Russian staff members in the Economics Department. The nearest approximation to it was Kalecki, a Polish staff member. Kalecki was of course was much too sophisticated to being simply reflecting the Russian political position.

RJ: What was his position on the Development Decade?

HWS: He was not actively involved, that I can say. Sidney Dell was, and several other people in Kalecki's department took an interest—Mosak one or two others. Kalecki did not

collaborate in this exercise, except of course, we had a lot of debates on the 5 percent target, in which he was very interested.

RJ: What was his position on the 5 percent target?

HWS: He probably assumed our assumptions about the capital-output ratio were too optimistic.

RJ: So he might have said that the 5 percent was too optimistic?

HWS: Yes, it would need more investment than we had planned.

RJ: He didn't have the view that 5 percent was too pessimistic for the centrally planned economies but too optimistic for the ex-colonies? Because after all, at the time, many developing countries were still colonies.

HWS: The African countries were still colonies. Well of course Kalecki was, as you would expect, much more skeptical than many others in the Secretariat—more skeptical than I would have been at the time probably. He was very skeptical about the preconditions for this kind of development that we assumed. There's something there about land reform. There's something there about spreading primary education. He would have argued we were politically naive in assuming that as a basis for 5 percent growth. He argued that point at the staff meetings. But as I said I can't recall any direct involvement. He and the people around him in a way were the main concentration of economic knowledge within the Secretariat. The fact that they were not involved in this is already a sign of skepticism. I had no power to keep them out if they had wanted to be involved.

RJ: Did they treat you though as more doing a political exercise and not a very serious economic one?

HWS: Of course 90 percent of the time in preparing this went into negotiations with the specialized agencies and of course and that didn't involve much economics. It was a political exercise—in the sense of domestic within the UN system politics, more than anything else. What sits in my mind was the problem of the specialized agencies, more than Russian opposition or Kalecki or U.S. pressure or anything. It was a difficult job to get a roughly agreed statement of this kind.

RJ: Because they wanted to agree every word not just the—

HWS: I don't think any of the agencies were entirely 100 percent happy with every word in this, but it was broadly acceptable in the end.

RJ: Let me jump ahead, resisting all the temptations to go on and on about the uncooperative nature of the specialized agencies towards the UN as a whole! But did you feel that the specialized agencies took it seriously as a document to be implemented and supported, once it had been published?

HWS: On the whole yes. I mean the agencies, just like the UN itself, saw the Kennedy speech as a great opportunity. Oh yes.

RJ: Even though the speech was made in the UN as opposed to in their own governing bodies.

HWS: Well, they saw it as an opportunity for themselves, yes.

JS: Because Kennedy had made a clear commitment (implicitly at least but I think even more than that) to substantially increase aid to developing countries, and through also the burden-sharing message that he also conveyed, they saw that this could really substantially increase the flow of aid through the UN.

But if I might go back and answer partially that earlier question about where was the opposition to the Blue Book? An interesting development took place not so much within the UN but outside it—in terms of the aid flows and directions. You might remember, in most of the U.S. rhetoric and, in fact, official resolutions and policies, they continually spoke about "friendly countries," "friendly countries," "we will help friendly countries." That of course implied, that there were some unfriendly countries, and in fact how the Black Book appeared meant that, while the U.S. was a major supporter financially of the UN, it more and more sought to influence, and in fact even to dictate, where the flows of UN assistance went. And in most of these specialized agencies, and certainly including the World Food Programme, where the U.S. felt they were uneasy, they would mention an objection to a country X receiving assistance. On top of that—and this was blatantly revealed in the Nixon era, when he actually won the election—was the subversion of aid and, in so doing, the redirection of aid to a small number of selected countries. Of course Vietnam, Cambodia especially, but then also Egypt and Israel. So in that way, some of the excellent work of the Blue Book was undermined by domestic politics particularly and especially in the U.S.

HWS: Then of course the 1960s—1961, 1962—was the time when the European countries emerged as potentially big donors. That's why the idea of burden-sharing through the UN became suddenly very attractive to the Americans. And that was a very useful point in establishing the World Food Programme. The original American idea of the World Food Programme was the Americans would supply the food, the popular part of it, and the Europeans would provide the cash. It didn't quite work out that way. The Europeans didn't accept this.

RJ: Hans we're going to have to end in about five minutes. But before we do, let me ask you to look back on this period with all the benefits of hindsight. Let me ask you, first with the

Development Decade, what you think it achieved? What you think it didn't achieve? And what you think, it might have achieved, with some things different? And in which case, what would those things be that might have been different, that might have led even, in the *realpolitik* of the time, to a different outcome? So what was achieved to start with?

HWS: Well if you want to put it in statistical terms, the 5 percent growth target was more or less achieved during the 1960s. That's not only because the industrial countries also maintained very high growth rates. It was still the era of full employment and low inflation, although towards the end of the 1960s, the system began to be shaky. But probably, if you take the 1960s as a whole, the overall statistical targets were achieved. Not in the case of aid, the 0.7 percent aid target was never fully achieved.

RJ: But the 0.7 target wasn't actually there.

HWS: No, 1 percent. But the 1 percent involved the 0.7 percent, because at that time what we now call ODA, official development assistance, was about 70 percent of the total flow. The Development Decade did also help to put the UN on the map, to establish the idea that under the auspices of the UN, the specialized agencies of the UN, plus the UN itself, could collaborate to provide multilateral programs. This was then the ideal of the UNDP. If we had not agreed on the UN Development Decade—it was unthinkable, to do it of course, a form of words would always have been found. But let's assume we had come back to the ECOSOC or to the General Assembly or to the Second Committee in saying, "Well, we cannot agree on proposals for the Development Decade, here are the UN proposals, here are the FAO proposals." It would have undermined the case for the UNDP. I don't think UNDP could have been established in that case, the way it was in 1965. It did show that when an opportunity was offered, the UN system could get together and produce something agreed that seemed to make sense.

JS: But in the Kennedy speech, there's particular reference on the proposals for the decade to "a concerted action of the UN system." He very much had that in mind. So with the benefit of hindsight, one thing that was not achieved to anything like the extent it should was combined action. The specialized agencies jealously guarded their autonomy and their mandates, rather than seizing this as an opportunity. Perhaps, I'd like to ask Hans, supposing the UNDP had been established not in 1965 but in 1961, could it have helped to bring about a much greater cohesion and cooperation within the UN system, than in fact was achieved?

HWS: The conditions were not there for the UNDP in 1960-61.

RJ: If I may give my opinion, we're interviewing Hans, not having a debate. But it seems to me, a UNDP in 1960 could do no more than what Hans did with the Blue Book—bring together the views of different agencies. But that's a quite different thing from bringing together integrated programs; to me it's ultimately the separate boards that keep the UN agencies separate. But we mustn't get into UN coordination at this time! But Hans, what were the failures, in your view, even of things that might have been possible in the 1960s.

HWS: Well I would say the basic failure was the failure to follow up these very broad overall targets, 5 percent, 1 percent, 0.7 percent, later certain percentages devoted to R and D (research and development) activities and so forth. Aid targets. The failure to translate those overall targets into targets on which action could be taken in the various fields that had been identified: health, education, transfer of technology. The hope was that the Blue Book, with agreed proposals from the whole UN system, could be taken as a basis for follow-up action by the individual agencies, with yearly monitoring progress of the different fields. There was an evaluation meeting in the middle of the decade, about 1965, of the Development Decade, but it

was not the detailed monitoring envisaged, and even that didn't help. By 1965 the decline in aid had begun to set in. Up to that point, aid was still solidly increasing.

RJ: But to me the big challenge—and it's still there—is for the individual agencies to take seriously these goals, agreed in this case for the first Development Decade but recently the goals of the 1990s. I know from UNICEF, it is not as difficult to do in principle. But it requires leadership from the head of the agency and serious organization throughout the agency to follow this up.

HWS: Well I believe that was under discussion at one time or at least, if I remember, I did suggest it to David Owen and others. If we had formed a strong Development Decade secretariat within the UN with staff seconded also from the agencies to build on this. But the staff in the UN, the economics department, was never strong enough in operational terms. It was never enough for action in this concentrated way.

RJ: But I think it is also true that the agencies have got to take a much more serious attitude to taking these goals operationally, implementing these goals, having a structure from the field up that monitors how the countries are progressing towards them. And then provide appropriate support in whatever way the agencies can.

HWS: It also was that in the UN itself, after this exercise was over, attention was diverted. Some of the things that were suggested here or there did come to immediate fruition. The World Food Programme was set up. In my case, this diverted at lot of my time to the World Food Programme. Several other institutional follow-ups took place. ILO set up the World Employment Programme. The Special Fund was created and merged with the expanded technical assistance program in the UNDP. Many of the institutional changes recommended did in fact occur. But, as far as the main activities were concerned, we put a lot of emphasis on national

execution. Let me emphasize. When the Blue Book was drawn up, African countries were still largely colonies. In other words, when we thought of developing countries, we thought not of Africa. We thought more of India, Pakistan, and Latin America.

RJ: It is now Thursday August 21st at IDS. Today it is Hans Singer being interviewed only by Richard Jolly.

Hans you were talking about the follow-up process in the World Food Programme. This had institutionally developed but it had also diverted a lot of your attention.

HWS: Our interest was not focused on Africa; that was the job of the Trusteeship Department. The economic department was not involved. Therefore when we talked about the possibility of macroeconomic planning, on which we put a lot of emphasis, which formed the basis for the shift in development activities to human resources. It required macroeconomic planning and the data and institutions, the framework for that planning was available in India and Sri Lanka and in Latin America. But when we came to try to apply this to Africa, where the African countries were just becoming independent, mainly during the first half of the Development Decade, in Africa it was simply unfeasible. If we had written the Development Decade with an eye on Africa, we would have been much less sanguine about macroeconomic stability and planning. We would have talked about decolonization, but that was not foreseen. That was a weakness of the report. And now when we talk about poverty, the Indian subcontinent is still a big poverty area because of its large numbers. But now when we talk about marginalization, social exclusion, government failures, conflicts, we think mainly about Africa. It was a weakness not to do this in the Development Decade.

RJ: Hans, I think we should come now to the next topic, which is your experience of other economists within the UN system at that time, and also your role in the establishment of a

number of the other institutions like ECA (Economic Commission for Africa), UNCTAD (UN Conference on Trade and Development), and so forth. But could we ask for your comments on some of the other economists that were well known, perhaps Jan Tinbergen, Kalecki, Gunnar Myrdal, Raul Prebisch. Jan Tinbergen was heavily involved in the implementation of the Development Decade and with the establishment of the Committee on Development Planning, in order to both oversee the Development Decade and lay the foundations for the Second Development Decade.

HWS: Jan Tinbergen was also a man who emotionally was in full support of the UN. He was very much in favor of multilateral collaboration. Jan Tinbergen was also of course the driving force behind the establishment of UNRISD (UN Research Institute for Social Development), which one remotely described as part of the Development Decade. It was the Dutch who financed UNRISD in the first period under Tinbergen's influence. Tinbergen was very keen to follow up what was said in the Blue Book on the Development Decade on the importance of human resources, of social indicators, of social development, of politically and socially sustainable development. There was very little about environmentally sustainable development. That was still only dimly on the horizon; I believe there are one or two words about it, but it played no part.

But the establishment of UNRISD was due to the work of Tinbergen. I was even personally involved there because Jan Tinbergen always visualized that I would have help to set up UNRISD and become the first director of UNRISD. But I was heavily involved in other things at that time especially the World Food Programme. And the UN bureaucracy took it for granted that because of Dutch financing it; they wanted a Dutchman to be director. So after some discussion with the Dutch delegation to the UN, they appointed a man whom they thought was,

presuming that, they appointed a Dutchman. But they picked the wrong Dutchman, so he did not last very long.

RJ: The person was wrong in the sense that he just wasn't up to the job?

HWS: Yes, he was also not the man whom the Dutch delegation had in mind. It was a mix-up.

RJ: But Hans, you mentioned Tinbergen's hope that you would become the director of UNRISD. McGranahan was the great bulwark, he followed De Vries.

RJ: But Hans, you mentioned that Tinbergen thought that you ought to be the first director of UNRISD and then weren't. Did you ever feel that you had been excessively passed over in the UN? Did you have the job that you thought could best do at most stages within the UN, or were you disappointed at some point?

HWS: No, I don't think I was terribly disappointed. First of all I was not fully aware of what was going on. Secondly, I could not be disappointed. I had plenty of recognition. That was the time I was promoted from D-1 to D-2 and put in charge of the economic division of what is now UNIDO (UN Industrial Development Organization), the center for industrial development in the UN. And then I was asked to get involved there, with questions of industrialization and industrial technology. I didn't have any grudge or feeling of being slighted or overlooked. No, not at all. My final departure of the UN was not due to any disenchantment. It was partly due to the lure of the IDS. But it was also partly due to the transfer of UNIDO to Vienna with which I did not agree, and I did not want to live in Vienna.

RJ: But Hans, thinking of some of these other figures and initially of Tinbergen, of these various distinguished economists, do some stand out, not only for their commitment, but for their administrative and political skills in mobilizing action along the lines of their proposals?

HWS: When I arrived at the UN, the only people I knew were David Owen, with whom I had collaborated on *Men without Work* and kept being close and developed a friendship. But David Owen was away in Havana negotiating the ITO when I arrived. So at that point, the only people I knew were Kalecki, whom I'd known from earlier activities in Cambridge in the mid-30s and Sidney Dell.

Sidney Dell, more than any other, had this ability of both developing new ideas and following them up in practice so then later in his association with Prebisch he moved to UNCTAD.

Kalecki temperamentally was a brilliant economist, full of new analytical ideas and analytical skills but utterly incapable by his personality of translating these into political practice within the UN system. He didn't suffer fools gladly, which was one of the necessary conditions to getting on in the UN! He didn't negotiate with delegations; he didn't want to get involved in this. He wanted to pursue his brilliant ideas.

RJ: What about Tinbergen? Was he much involved in negotiating with delegations or in thinking through the political strategy underlying some of his proposals?

HWS: Well, he did this partly but not always directly. He did do it directly as chairman of the planning committee and as head of several UN missions—when we went for three weeks to a country we knew nothing about and came back with a five-year plan. Just like today, when the IMF goes, or the World Bank goes for three weeks, and comes back with a structural adjustment program! There's a famous story. Tinbergen, I think, was head of a mission to Afghanistan. He came back with a five-year plan and when the five-year plan was published, it appeared with a preface by the king or shah of Afghanistan which said, "Without the necessary data but with the help of Almighty Allah we here present our five-year plan." Tinbergen

mentioned this many times. I'm not sure he was himself the head of that mission, but he became concerned about the lack of data.

Tinbergen was mainly so effective through his influence on the Dutch government. The Dutch delegate to the UN, the Dutch ambassador to the UN was Johan Kaufman, with whom I became very friendly. And the Dutch in many ways collaborated with the Canadians. The Dutch and Canadians, I remember, were the two delegations most actively involved in discussing issues with the Secretariat then taking some of the results of discussion to fellow delegates. They were very popular—everyone liked the Dutch and Canadians. Tinbergen was sitting in Holland behind all this.

RJ: Actually this still continues, with perhaps the Norwegians and the Swedes today playing something of this mobilizing role. Did you have much to do with the British delegation?

HWS: Yes. Well I was always on good terms with the British delegation. They had firmly supported me during the McCarthy years, when the popular press described me as part of a communist conspiracy, in the pocket of the Russians and trying to extract money from the pockets of the American taxpayer. The British delegation told me very firmly, "I have no need to worry about this; I don't need to appear before the McCarthy committee." John Shaw has discovered new material on this

RJ: What about some of the others—Nicky Kaldor? We always used to joke that his economics was brilliant but after he had visited a country, riots would often break out in reaction to his tax and other proposals. Were there other economists who were more sensitive to the politics of the strategies they proposed?

HWS: Yes there was a group of American economists; Kenneth Galbraith I mentioned already. Nothing really occurs to me in answer to that question. But again partly because these

issues only came up later in connection with Africa to a large extent. I cannot really now recall much.

RJ: And Richard Stone, did you see much of Richard Stone in the UN?

HWS: No I didn't personally. Richard Stone collaborated very closely with the statistical office.

RJ: Yes. But you didn't have that much interaction with the statistical office?

HWS: No, not directly.

RJ: Did David Owen have more interaction?

HWS: Well also not particularly.

RJ: It is interesting because you would think that much of the implications of the work in the Development Decade, or even earlier work, had very direct implications for the sort of statistics collected, how they were published, how they were used for monitoring.

HWS: That was exactly where there was a failure, to my mind, to follow this up. There should have been close contact with Richard Stone or Colin Clark or [Simon] Kuznets or other pioneers of national income analysis. But to the best of my knowledge, there wasn't really any.

RJ: What about Barbara Ward, was she involved in the UN in the 1960s at all?

HWS: I knew her, I read her books, I certainly had read her books, but no, no.

RJ: I'm conscious particularly of her role with the Pearson Commission. But I'm not sure how strong her role was before that with the UN system.

HWS: She commanded great respect everywhere, but I do not recall her being in any way directly involved with the ideas that had been set in motion by the Development Decade. The spiritual inspiration of this goes back much further, goes back to earlier things—the idea of the welfare state to the Beveridge report (*Social Insurance and Allied Services*), the idea that the

welfare state could also have an international aspect with redistribution of resources and support for poorer countries which we identified with poorer people, to an extent to which we wouldn't do this today.

We at that time, perhaps naively assumed that the governments were the true representatives of the popular interest of their people. The government of a poorer country represented the poorer people—that was the naive assumption. Later on the pendulum swung very much the other way. At that time, we were very conscious of market failures, the tradition of Joan Robinson and Chamberlain and imperfect competition. We knew about externalities. We were very conscious of market failures. But we assumed that since the UN was an organization of governments, the governments were the true spokesman of the interests of the people of the country. We did not sufficiently look into the politics of government failure. Later on the pendulum swung exactly the opposite way. We heard a lot of government failures and very little about market failures. And now we are probably at the stage where we have a more equal balance.

RJ: Yesterday, you were talking about Arthur Lewis being a very good committee person. In addition to his brilliance and creativity as an economist, he would listen very carefully, read the papers, relate to the issues being discussed. Was he particularly effective because of those skills, in addition to his intellectual leadership?

HWS: Yes, I think the answer is yes. Thinking again about your question about any other economists except for Kaldor being very influential on thinking, I should of course mention Arthur Lewis. He was very influential in our thinking. His idea of surplus population in the agricultural sector fitted in with the emphasis on urbanization and industrialization as the main motor of growth. The idea of hidden employment had already come from Joan Robinson. That

played a big part. There we felt we were in the classical mainstream. Adam Smith had already said roughly the same things and that fitted in. In my own case, that's why I was so completely satisfied when, in the last year or two of my stay in the UN, I got involved with the Centre for Industrial Development. By that time, I was already foreshadowing interest in employment problems of the early seventies and the ILO employment missions. In my case, towards the end of the sixties, I was involved in work with the ILO in setting up the World Employment Programme especially ARTEP (Asian Regional Team for Employment Promotion) in Asia but also in Geneva, and collaboration with Louis Emmerij and others. Apart from Louis Emmerij, I would mention Ajit Bhalla. He was very important, with his emphasis on technology, which played a big part. In my case I was already particularly interested in the informal sector.

RJ: Not until just before the ILO Kenya Mission.

HWS: Later yes. I developed a strong interest in small scale-industry including rural industry which of course was not quite compatible with the Harris-Todaro or the Lewis model but rather with the idea that Ted Schultz had always emphasized that both agriculture itself, and the rural non-landowning population, could very usefully be employed in agriculture and rural industries. So within UNIDO, from the very beginning, I tried to take a special interest in small scale and rural industries. I became very friendly with the two great Indian gurus or protagonists of rural industries or micro-industries or small-scale industries. Our chief adviser on small-scale industries was Mr. Alexander from India, who later became the very important man in India and Mr. Padnamaban who was also a leading expert. Mr. Alexander later became adviser to the Indian government on small-scale industries then later, as far as I remember, he became either minister or very close adviser to one of the ministers for rural development, as distinct community from development.

RJ: Hans tell me about some of the lesser-known names. You mentioned, I think, Mr. Folke Hilgerdt who had been head of the statistical office of the League of Nations. What was his importance and what were your links with him?

HWS: My most direct link was over data. The data we had in the economics department came from the statistical office of the UN. It was part of the Department of Economic Affairs. In my particular case, he was still there in the very early years of the UN. He focused on commodities that was particularly interested in his data and conclusions he drew on commodity problems. Later on I think the next director—I don't think there was anyone in between—of the statistical office became Harry Campion, with whom I have been very closely associated in Manchester. I was lecturing in economics, and he was lecturing in statistics in Manchester. So that's when the collaboration became very, very close.

Another very important economist was David Weintraub, the deputy to David Owen, who then became more or less a victim of the McCarthy era. He was forced to resign; anyway he resigned. He was also a very brilliant man. He had been a new dealer in the New Deal period. I clicked with him or he clicked with me—we clicked together, because of our common interests in unemployment problems. He was a convinced Keynesian. We had a congenial harmony of views, and similarly David Weintraub's deputy, in turn, his second deputy I think, was a British economist, Harold Caustin, who was not well known as an academic economist. He was a civil servant type, but to me he always represented the best type of a British civil servant. Always well informed, he knew what was going on, his advice was always pertinent, always sound but he wrote memoranda that were very stimulating. But he himself was in the background. He did not come forward.

RJ: He was at IDS briefly. He joined in that first study on the Penguin book, *Development in a Divided World*. He did a chapter on technical assistance.

HWS: He was a man whom I would mention as a very able.

RJ: What did Galbraith do with the UN? Was he very specifically involved, or was he more involved with the Kennedy administration? Did he come much to the UN? Did you meet with him in the UN?

HWS: In the Kennedy administration, I met with him, but he didn't come often. I met him almost more in the meetings of the American Economic Association, SID (Society for International Development, and so forth rather than in the UN.

RJ: Did you tend to go to the American Economic Association meetings regularly?

HWS: Very regularly, yes. It was quite exciting because of course in addition to my UN job I did try to maintain some academic work at the New School for Social Research.

RJ: Yes, we noted that. What about Walt Rostow, was he directly involved again more through the American administration?

HWS: Also through the American administration, I think. Yes.

RJ: You mentioned last time Victor Urquidi. Did he have much to do in the UN at that time?

HWS: Yes. He already came to ECOSOC meetings or meetings of committees as a Mexican, probably not as a Mexican official delegate but as adviser to the delegate. He was a young man, and we developed a friendship then which has lasted, and including quite recently again.

RJ: Were there many Africans of influence in the UN in the sixties?

HWS: Well you had Robert Gardiner, who was of course the deputy to Mekki Abbas in the Economic Commission for Africa. But simply because the Economic Commission for Africa was set up and because decolonization was coming and everyone saw it coming, there was much less direct African presence in New York than you would have expected there to be. Much less than now.

RJ: What about people like A.L. Adu or Quaison Sackey, the Ghanaian ambassador, and of course, politically, [Julius] Nyerere? But these were two very different categories. Quaison Sackey was there in New York as the Ghanaian ambassador as I recall. A.L. Adu was, by then, often on technical assistance assignments. And, of course, Nyerere was exercising a magical spell in terms of his intellectual leadership as well as being president of Tanzania.

HWS: The Ghanaian economist with the UN whom I remember best was J.H. Mensah. He was very active. We had in the UN, the separation between the economic department and the trusteeship department. Therefore, as long as the African countries were colonies, we had difficulty in dealing directly with them, partly because it had to be channeled through the British or French or Dutch delegations as the colonial powers and partly because, within the UN, it was the business of the trusteeship department, not our business. The trusteeship department, of course, was under the strong leadership of Ralph Bunche. He was a great influence also in the economic department. He was a very influential man. You would not easily trespass within the UN on Bunche's territory without being sharply criticized.

RJ: Was that a bit excessive with hindsight? One tends to think of people who are protecting turf, as perhaps bringing out some of the worst features of rivalry within bureaucracies?

HWS: Well it was not so much rivalry. I would say it was a bureaucratic tendency to take things as they were at the moment. At that moment, these countries were still colonies. We couldn't deal with them directly in the economics department. In a reasonable world, you would expect a joint unit between the trusteeship department and the economics department, in view of the coming independence. But as long as they were colonies, they were the business of the trusteeship department. The moment they became independent, they became the business of the economics department.

RJ: Yes. Looking back that must have been a great, great weakness.

HWS: Yes. It was a bureaucratic weakness. But, as I said, that was part of the UN structure.

RJ: And much how was the work of the technical assistance side of the UN? We had EPTA (Expanded Programme of Technical Assistance) at that time didn't we?

HWS: Yes, after Truman's point four.

RJ: In the mid-sixties, in the early days of African independence, how closely were the missions to countries, or even people in countries representing the UN, linked to the work of the economics department?

HWS: Of course, by that time, we had already the ECA. Quite a few UN economists, including myself, migrated for a time to Addis Ababa and also later, when the African Development Bank was set up, to Abidjan. The great moment when technical assistance and Africa came together was when the Special Fund was set up. And then the UNDP. There we invented, and perhaps I can say that I invented—we had great difficulty, because the Special Fund and then the UNDP was not supposed to invest in projects, that was the business of the World Bank—the concept of pre-investment.

RJ: When was this decision made that you're just talking about now, the division of labor between the Special Fund and technical assistance and the World Bank.

HWS: All this happened in the first eight years of the Development Decade, the first half of the 1960s. Paul Hoffman came to take charge of the Special Fund. The name of the Special Fund recalled still the SUNFED. It was named after SUNFED as a sort of posthumous compliment to the SUNFED effort. The Special Fund was supposed to be more than technical assistance in the sense of sending individual advisors for visits to write reports. It was to be more than that and, on the other hand, it could not be proper investment, full investment. That was when the idea of pre-investment was developed, as I have described in one of the publications. My memorandum on pre-investment was then published. Paul Hoffman and David Owen, and I got involved. Another important man who got involved was Myer Cohen, who was also very active in the early days of the Special Fund, then UNDP. I'm reminded again yesterday that I had a telephone call from Philomena Guillebaud, who had been my researcher, my collaborator in the UN. As she described it yesterday, we had to supply staff to the newly established Special Fund, so according to her, I threw her out and handed her over to Myer Cohen. She became Myer Cohen's chief assistant. She played a very useful role in the UNDP later, and that was a sort of personal link for me, because her father, Claude Guillebaud, had been the internal examiner of my Ph.D. thesis.

RJ: Well, I studied under him myself.

HWS: So that link with the Guillebaud family was there which led to the link with Myer Cohen.

RJ: Hans, I think we should move to your role in some of these key institutions. You've mentioned the Economic Commission for Africa and Robert Gardiner. Of course you and I met

in 1963 for the first time in Addis Ababa. But looking back, what do you think were your main contributions to ECA, and what indeed were your specific functions?

HWS: Well it's not easily said. I was, I believe, the second staff member of ECA, when Mekki Abbas was appointed chief of the ECA. I was then the first man sent from New York to help Mekki Abbas to set up ECA. I think that was the original function, 1959 probably.

RJ: For how long did you go out to Addis Ababa at that time?

HWS: My memory is shaky now. Ilse knows more about this. Let's see. Well my assignment changed. I was originally sent out just to help Mekki Abbas, who was sitting there alone. Mekki Abbas had sent an SOS to the UN in New York. He needed some reinforcement to help in the preparatory work, to look at the structure, at applications for possible jobs. To the best of my knowledge, Robert Gardiner was not yet there, but I may be wrong. I was still at that time more mixed up with the Special Fund. As it happened, Paul Hoffman and Myer Cohen and perhaps David Owen asked me while I was in Addis also to do some preparatory negotiation connected with one of the first bigger projects of the UNDP which was in Ethiopia, the Awash River Project in Southeastern Ethiopia. So I had a dual function. I was not just sent to help Mekki Abbas but also to push the negotiation of the Awash River Project. I remember when I arrived in Addis for some reason, Mekki Abbas was not there. He was probably back in the Sudan winding up his directorship of the Gezira Scheme. So in my first days, I concentrated not on ECA business but on the Awash River Project. When Mekki Abbas came back, I said to him with some pride, "Well I've not been idle while you were away, I've already done this." And I thought he would pat me on the back and praise me for it. No, he flew into a fury. He said I had been sent full time to help him and I had no business to spend time on other business. So we started off on the wrong foot but that lasted only one day, because Elma Abbas, his wife, who

later became an important advisor and expert in the FAO after Mekki's death, obviously had calmed him down. He probably had raged to her, "This man was sent to help me, engages behind my back." Probably Mekki had thought, perhaps rightly, that things relating to projects in Africa should not go without his knowledge, and perhaps he was partly right. But at any rate Elma had calmed him down and said, "This man has done nothing to hurt you or to act behind your back. He has told you immediately what he has done." So there was reconciliation. After that we got on very well. There was never a repetition of that. But after the first day, I was on the point of sending an SOS back to New York, "Please may I come back straight away, I couldn't hit it off with Mekki Abbas." Luckily I hadn't sent this off before the matter was resolved. That's a personal recollection relevant, or not.

RJ: But Hans what were your main functions in setting up ECA.

HWS: Because of my associations with Prebisch in Santiago and Gunnar Myrdal in Europe, I could of course tell Mekki Abbas that I was familiar with the role of regional commissions, the functions of regional commissions, so I could go on that precedent.

RJ: Did you try any innovations, did you look at the weaknesses of ECE (Economic Commission for Europe) or ECLA and try and suggest, say, a more operational involvement between ECA and country offices? Is that where the idea of sub-country offices, the MULPOCS (Multinational Programming and Operational Centres) came from?

HWS: The MULPOCS came later, and there was no precedent for that in ECLA at that time. But I believe that from the very beginning, the idea didn't emerge into daylight until some years later. But in the very beginning in Europe we had the Marshall Plan, and in the ECA we had lots of American aid and the Inter-American Bank. The idea that Africa needed a development plan was present in people's minds. And then of course all the organizational work

had to be done. Mekki was not a man very strong on detail or organization. When Gardiner came, that became Robert Gardiner's chief function. But in the beginning there was some support needed for setting recruitment procedures in motion, to start from scratch. I remember for instance the difficulties that began with one of the people from the very beginning. We had in mind a very valuable staff member for ECA, Bernard Chidzero, who later became finance minister in Zimbabwe, now unfortunately in poor health. But I remember the formidable difficulties, how difficult it was to recruit him, because at that time Zimbabwe was Southern Rhodesia and Southern Rhodesia was not independent of the British. Therefore, he had a British passport and counted as part of the British quota. The personnel office in New York said, nothing doing, the British quota is overcrowded. We had a terrible job to recruit him, and in the end he was recruited at a ridiculously low grade, from which he very rapidly rose. The problems of recruitment fitted with the nationality groupings of the UN.

RJ: But Hans, looking back, the more interesting questions, if I can say so, concern the structures of the regional commissions and in this case the Economic Commission for Africa. How adequate was it? With hindsight, do you wish the early structure had been different in some way? I personally think that the role of the regional commissions sit a bit uneasily in the UN system: in one sense, they ought to be ever more the important focus because of the growing differences between regions; even at that time there were enormous differences between regions. But in practice, this relationship with all the rest of the UN, either the operational part or the analytical part of the UN, has been rather uneasy.

HWS: Well I think the mistake that we made is partly because of the absence of statistical insight or direct insight into the case of African countries. In spite of Arthur Lewis's report on the Gold Coast, we did not visualize the marginalization of Africa. We thought of

Africa still as more or less the same as Latin America. Africa was another Latin America to us. The poverty area was India.

RJ: For sheer size or even for even the depth of poverty?

HWS: For both, both. Certainly for size but also for depth of poverty. And our mistake was not to foresee what happened to Africa after independence. We assumed that there would be other Brazils and Argentinas and Mexicos. It's difficult to say, because the resources of the regional commissions especially for Africa were always very small. We knew we would have to produce an annual survey which focused our attentions on not having enough data requiring knowledge on setting up a statistical office.

RJ: Surely Dudley Seers led that survey. Whose idea was it to recruit Dudley?

HWS: I would not be surprised if that was especially David Owen's influence. David Owen knew Dudley; they knew each other.

RJ: Did Robert Gardiner know Dudley? Because Dudley, of course, had been to the Gold Coast.

HWS: They probably knew each other. But by the time Dudley joined ECA, I was sitting in New York, or Rome, and I was very busy with the World Food Programme. My own interest in ECA was in the trade division, linking up with commodities, African countries being so clearly specialized then on the export of one or two single primary commodities. The special problems for Africa, and most African countries being very small and of foreign trade being very important, all these problems—foreign investment in Africa, plantations in Africa, trading primary products—so I became very fully occupied with that aspect of ECA's work.

RJ: Hans, who were the leading figures when you look back on ECA in the 1960s. I think, of course, of Robert Gardiner, and he certainly was very influential. I think of Surendra

Patel, I think of Erling Nypan—but I don't know how important Erling was in the most fundamental of ideas and thinking. But who were the other figures at the time?

HWS: I have to look at my papers. Can I postpone the answer? I have a file at home of my days with the ECA.

RJ: Very good. Why don't we turn to some of the other institutions? You've already talked a bit about UNRISD and Tinbergen's promotion of the very idea and his hopes. Coming to the substance of UNRISD programs, what do you think have been UNRISD's most important contributions and looking back what you think of the disappointments in UNRISD?

HWS: Well I think UNRISD has made a very important contribution under Don McGranahan and particularly more recently, of course, Dharam Ghai. You might almost say they held the fort until the Human Development Report took over—on indicators, on emphasis on human resources, not just on human capital but human fulfillment or good life for human beings as the purpose of development. UNRISD has kept those ideas alive. I was not out of UNRISD; I did not become director of UNRISD, but I became associate director in the early years. I remember collaborating very closely with Don McGranahan and Nancy Baster on their Social Surveys. UNRISD, like WIDER (World Institute for Development Economics Research) later, played a part in providing a less bureaucratic place within the UN where new ideas could be developed. It was not easy in the framework of being part of the ECOSOC secretariat, or the secretariat of the Second Committee for Planning or Sub-committee on Development or Committee on Commodity Problems and so forth. There was a lot of day-to-day work involved. UNRISD provided a place where people were free from such bureaucratic duties and could write background papers that were in a way more UN than the work of outside experts recruited. It provided the necessary bridge especially in Africa. UNRISD has played that role.

RJ: Now when, however later on, if you come to the mid-1970s let alone the 1980s, then you have the United Nations University—perhaps in my view a disappointment, considering its enormous resources and UNRISD still has no core resources, only project funds. Of course at different times the innovative research and exploration of ideas of other parts of the UN. So what is your view about the excessive number of these institutions (as the downsizers of today might say)? Is there not UNRISD, UNU, the research groups in most of the UN agencies, certainly the specialized agencies, isn't this all adding to proliferation without sufficient coordination?

HWS: Well it is adding to proliferation now, partly at least because of the growing strength and expansion of research work in the World Bank and IMF in a direction that was more congenial to the big financing powers, especially to the U.S., than the work that was done in all these UN research agencies. It looked like duplicating work. It wasn't really because it was from a different standpoint. More recently, the World Bank and IMF have been taking over many of the original ideas developed in UNRISD and the UNDP and WIDER and UN University and in the research units of the WFP or FAO. It is duplicatory now. Of course, the UN institutions struggle with very inferior resources. The tremendous resources of World Bank and IMF and the EDI (Economic Development Institute), the resource annex to the World Bank. With their tremendous resources, they can recruit high powered people, they have the facilities, they can take the best advantage of the big developments in economic analysis by way of modeling or computers or of absorbing information, of simulation. It is very difficult for the counterparts in the UN to keep up with this tremendous resource apparatus. To my mind, it is a tragedy that there is not more diversity in research from different points of view. This concentration of research in Washington, to my mind, is not a good development. Of course it leads already to some criticism. You see the UN work would have been a better bridge towards academic

thinking. Now you have many academics very critical of what the World Bank and IMF are doing. The main criticism comes not from UN but from the academic world.

RJ: But Hans, it is intriguing to me how in spite of the much greater resources and, in a narrow economic sense of economic orthodoxy, the greater skills and narrow professionalism of the Bank, in spite of that or because of that, over fifty years it is the UN that has come up with the fresh thinking.

HWS: This is why I consider the present situation as a tragedy.

RJ: Intellectually, why do you think the World Bank and even the IMF have been so un-innovative?

HWS: Power corrupts. They have become very powerful institutions. There are now the de facto governments of many developing countries, either directly through their credits and loans and structural adjustment programs or, indirectly, because many of these ministers are former staff members or trainees coming from the World Bank and IMF. They have become political power centers, and research has become mixed up with the exercise of political power.

RJ: And the justification of political power.

HWS: There was always a case for academic freedom from governments. Although a lot of research is done within governments but much of it is often not the creation of new ideas but forecasting what will happen under systems presenting different options to ministers. It is necessary and very important, but the development of new ideas in the Western countries is looked for more from the academic world than from governments. For the same reason, the UN organizations are much more like academic institutions than the World Bank and IMF. Biodiversity is not only environmentally a good thing; it's also a good thing in research. And we are lacking this. In saying this, I'm not underestimating the impact of the Human Development

Report and of the UNICEF study on adjustment with a human face and the impact of UNRISD and WIDER; they have an impact.

Perhaps paradoxically, my own view is that the World Bank and IMF have now become so powerful, so certain of their dominance that they can afford to take on new ideas without the fears of earlier years. In the 1980s they didn't do this, because it would have involved loss of face—to say, yes, we were wrong in our structural adjustment conditionality, we should have paid some attention, we should follow up the 20/20 resolution from the Social Summit, we should pay more attention to the human issue, we should participate in debt relief, it's not all the fault of the debtor countries only, and so forth. In the 1980s, the World Bank and IMF did not do this because it would have meant loss of face. Now they've become so enormously powerful that they can afford to do it. That I think is why they may be more receptive to new ideas in future. Personally, I'm very interested in the way in which the IMF and World Bank are now coming round to the idea that the volatility of commodity prices is a bad thing, that there's a declining trend in commodity prices, that diversification into manufactures is an essential part of economic development. They are now receptive to ideas which were absolutely taboo ten years ago. I myself attribute this to the enormously safe positions that these two institutions have. This marginalizes the UN institutions, in the public eye. In London, they we will read the World Development Report, the IMF Economic Outlook, the World Bank publications, et cetera, very carefully. They consult the World Bank and IMF, in a way they don't consult the UN. But the ideas which they get from the IMF and World Bank are quite often ideas which penetrated there now from the UN.

RJ: We'll come back to these issues, Hans, in the next interview, but let us just use our last ten to fifteen minutes if we may. Have you got any other comments on the United Nations

University and, if not, let me take you to UNIDO and UNCTAD? But did you have any major involvements with the UNU?

HWS: No, no, no. I didn't. I had very good relations with Japan. Saburo Okita, I was aware of his ideas and of his influence on the Japanese government. I was visiting Japan several times at that time. I gave lectures there. I met quite a number of officials because Japan, at that time, was very keen to have a bigger voice in the UN. So a UN man was very well received in Japan at that time. I had access to high level officials without any difficulties. So I was aware of all this, but I was not directly involved with UNU.

RJ: So, why don't we come to UNIDO, where you were very heavily involved? You were the first acting director, am I right Hans?

HWS: No, I was the deputy. The first director of UNIDO was Helmi Abdelrahman from Egypt. I was the director of the economic division, and Helmi Abdelrahman's deputy.

RJ: And how long did you have that position?

HWS: I was, so to speak, the Hesseltine to John Major or the Prescott to Tony Blair.

RJ: How long, did you have that position?

HWS: I worked very well with Abdelrahman. We became friends, we are still friends now and a year or two ago we met again in Mexico, he's very old now, well I'm very old too!

RJ: But he's got a good memory. I met him not too long ago. I hope we can get him involved in putting down something of the history of UNIDO.

HWS: Of course, when he moved to Vienna, I walked out of the picture. Kurt Waldheim was not yet Secretary-General; then he was with the Austrian delegation. He succeeded to get UNIDO transferred to Vienna, which I opposed, and personally I didn't want to live in Vienna.

RJ: When you opposed this, were you thinking of all the memories and the involvements of Vienna, or were you thinking it was a bad location for the current purposes of UNIDO?

HWS: Well the reason I opposed it was a public reason. I knew all the time if the move to Vienna comes up I would not go with them. The better reason, my public reason for opposing it, was that I thought it was time to set up a UN organization in a developing country. The Latin Americans wanted Mexico City. The Africans mentioned, of course, Nairobi, and the Asians offered—I'm not quite sure whether it was Bangkok or Delhi or Bombay or Calcutta. The Asians also had agreed on an Asian location. But they could not agree with each other. In the end, Kurt Waldheim, who was with the Austrian delegation—it was his job to bring UNIDO to Vienna. [Bruno] Kreisky had said to Waldheim that he must bring UNIDO to Vienna and the Austrian government had made a very generous offer.

RJ: But Hans let me come to the work of UNIDO.

HWS: The vote in the ECOSOC that brought UNIDO to Vienna was sixteen to fifteen. Waldheim was extremely lucky to succeed. If it had been sixteen to fifteen the other way, my guess is that Waldheim would have disappeared in the Austrian bureaucracy in Vienna. He would never have been heard of again in New York. But that is counterfactual history. I cannot prove it.

RJ: But, Hans, coming to the work of UNIDO. Looking back on its work of just over twenty-five years, what do you think has been its actual useful contribution? Where do you think have been the disappointments in the work of UNIDO?

HWS: My own interest was largely towards industrial technology, transfer of technology, adaptation of technology. I had very good links with the intermediate technology group here in the UK—

RJ: George McRobie—

HWS: —and related to that in small-scale industries.

UNIDO has done very useful work in identifying industrial opportunities. UNIDO's industrial surveys are still to my mind the main source for following the progress of industrialization policies. The World Development Report on the whole has always been very reluctant to take industrialization as a common theme because it sounded too much like import substitution. UNIDO has done a lot of useful work in technical assistance.

RJ: When you look back, do you think the Lima target was a great mistake? It now is very, very out of fashion to set that sort of structural goal target.

HWS: In fact, like the 5 percent growth target of the Development Decade, subsequent developments have more or less satisfied the Lima target but very unevenly distributed. The target itself was not unrealistic; it was a very modest target for the share of 80 percent of mankind in industrial output. Everyone has agreed that industrialization is an essential part of development. That has been justified by events. I don't think there is any single case of a developing country in which the process of development or growth has not been accompanied with diminishing share of agricultural employment and an increasing share of manufacturing employment. Not in the big industrial countries, where the trend is now towards services rather than in favor of manufacturing, but in the developing countries. The big success stories in development have been associated with industrialization and export of manufactured products. But, as you yourself have said, and I fully agree, this kind of target, we would not set today anymore.

RJ: Which is interesting because in a sense we have gone back to targets for child mortality or education or life expectancy. We now see them as fundamental targets for human

development. I suppose at the earlier stage, one would say yes, but if you only have targets for health and education, you're seeing it in a welfare sense. But even though we now use those targets and give a lot of attention to them, we are not so much emphasizing them as social sector targets but as indicators for the whole process of development.

HWS: Well I wrote several articles on the Lima target, which I can hand over as supplementation of this interview.

RJ: Do you think that those articles stand the test of time? Do you feel reasonably happy with what you wrote?

HWS: From the viewpoint of today, with the benefit of hindsight, it seems that some of the things that were part of the Lima Declaration—I'm not now speaking of the target itself but the Lima Declaration—were over-optimistic. It was followed by the lost decade of the 1980s. We didn't foresee the debt crisis. There was no discussion of debt problems. There was no discussion of structural adjustment, conditionality. With the benefit of hindsight, there was a certain unreality about this. From the standpoint of the last two or three years, it looks more acceptable than it would have looked four or five years ago.

RJ: Hans, is there anything about UNCTAD that you would like to say, as we wind up this part of the interview? What were your most important involvements in the early days of UNCTAD?

HWS: Well very few. The early days of UNCTAD were also the days when the World Food Programme got going and I was very much involved there. The people whom I liked very much were involved in UNCTAD—Sidney Dell, [Vladek] Malinowski, Alfred Maizels. Looking after commodities, that was my particular interest. I kept in touch with Alf Maizels in the early days of UNCTAD. I felt it was in such good hands that I was not involved beyond that

much. I attended the early UNCTAD meetings; I commented on drafts that came from UNCTAD, especially on the commodity side and trade side.

RJ: I remember that when you were at IDS in the late seventies, when the Common Fund proposals were emerging, you were a strong defender and proponent of the Common Fund. But in the UN you were mostly engaged in other matters?

HWS: It was WFP, the Fund, and expanded technical assistance program, then later the center for industrial development, UNIDO.

RJ: Well, Hans, thank you very much. This is the end of our second interview, and I suggest next time we look back at the whole period. One of the interesting questions to ask will be: what do you now think, with hindsight, were your most significant contributions to the UN?

HWS: One of my episodes with UNCTAD which I do remember is, was a forlorn hope. At one time, UNCTAD tried to bring back the idea of a commodity-based currency, under a report by Kaldor, Hart, and Tinbergen—three of the leading economists of the day.

RJ: Yes that was in 1964.

HWS: Three very eminent economists at the time, with the encouragement of Prebisch and Sidney Dell and others, had worked on that proposal. This was a resumption of an old idea of Keynes. That interested me of course enormously. I remember participating in the discussion of that report in UNCTAD. That was one of the things in addition to trade in commodities.

RJ: What was IMF's view on that?

HWS: Hopeless, hopeless.

RJ: The IMF, you were saying, was totally against that.

HWS: Although much later, of course, for different reasons. By the early 1970s, it was no longer true that the proposal was unnecessary, because everything had been happily settled.

By that time the Bretton Woods was already disintegrating. The Bretton Woods system of fixed currency, based on dollar and gold, had already dissolved.

RJ: How very interesting, we'll meet next time.

RJ: We're here for interviews with Hans Singer on August 26. Present are John Shaw and Richard Jolly, and we're working focusing mostly on issues relating to Hans when he came back to IDS in 1969—so the issues of the 1970s, 1980s, and the early 1990s.

Hans, even when you came back to the IDS you carried on involvements with many parts of the UN. John in his bibliography has listed the very large number of reports you wrote. From your perspective, which do you believe were your most significant contributions to the UN by yourself after you had left the UN?

HWS: Well, as you said I was still in touch with many UN bodies. I was asked to participate in many meetings and to write papers. I was asked to undertake missions. The first mission I remember shortly after coming to the IDS was the mission to the northern region of Thailand, which was on behalf of the UN Narcotics Commission, one of the many attempts to get the hill tribes of northeast Thailand in the Golden Triangle out of producing opium and into other more useful crops. Some of the crops suggested for the area were only doubtfully more useful such as tobacco for instance, but there was also rice and cotton and other high-altitude dry area crops. That mission showed me, and in my report, I emphasized the interrelationship of social problems arising, like the views of the hill population in northern Thailand on opium as the most particular crop.

On the general problem of social exclusion, as we would call it today, we discovered there that the greatest obstacle to getting the hill tribes out of opium—if it had not previously been mentioned or realized—was the fact that the hill tribes were ready to settle down, to

abandon their slash-and-burn type of agriculture and to produce food crops subsistence and other food crops, provided they would get primary schools for their children in their own languages. That was the thing uppermost in their minds. They wanted schooling for their children but in their own languages, and that clashed with an article in the Thai Constitution, which said that all teaching in primary schools must be in the Thai language. That provision in the Thai Constitution was essential for Thailand in assimilating the large Chinese minority in Bangkok. It was not meant to be applied against the hill tribes. It was meant to apply to the Chinese population in Bangkok. But it proved impossible to remove that stumbling block. So it brought home to me the fact that the often well-meant institutions of a country were declared immovable, inflexibly applied to quite different situations for which they were not meant and could do a great deal of harm. I can't claim that we made any progress in resolving this. We discussed this in Bangkok; we put it on the table on the agenda. But to the best of my knowledge it didn't lead to at least any immediate action.

RJ: Although there's been a big swing back, in general, towards recognition of the importance of early education being done in the vernacular of the children, whereas in the sixties and the seventies, there was more of an emphasis on nation building and on the common language from six or seven years old.

HWS: But I never realized how closely this was tied up with the opium problem—that was the insight that I gained there.

RJ: Did you do anything else, Hans, on the issue of drugs? I remember you talking about this Thai experience in IDS at the time. But was that your only involvement with drugs and narcotics?

HWS: Yes. Because our real task was to draw up a regional development plan for northern Thailand, the poorest part of Thailand, very similar to an earlier mission on the northeast of Brazil. The drug problem, the opium problem, was one of the central development problems there. So I tried to put the drug problem into the problems of general poverty of northern Thailand.

RJ: I might ask you here whether you think the UN has in general been successful at bringing the issues of narcotics and drug control into more general issues of development.

HWS: Well, I'm not aware of much progress in that direction. From a UN point of view from that time, at least. It might be different today. I think it would be different today. But when it was said that it isn't compatible with the Thai Constitution, that more or less settled the matter because that was a matter of national sovereignty, of the internal affairs of a sovereign country. It was not for the narcotics commission to suggest constitutional change in Thailand. Today I think it would probably be much less of a big stumbling block. But this mission was in 1969, shortly after my arrival at the IDS. In other words it preceded structural adjustment programs and conditionality, under which many interferences with national sovereignty are practiced and accepted. Today, this would then be a relatively minor interference which might now be more acceptable and feasible. Especially in the case of conflicts when the main conflicts are within countries rather than between countries, therefore any conflict settlement almost by definition involves interference in the internal affairs of a country. But at that time there was still very sharply the notion that the UN is an organization of governments and must not interfere with the internal affairs of sovereign countries.

RJ: Hans, why don't you comment on other areas where you were involved? But the question I'd like to put to you is not so much the comprehensive listing of all the things you were

engaged in, but looking back which do you think were the most important for development or in terms of your own contribution to development?

HWS: Well, John Shaw has a list. I have a list here which says there were seventy-eight reports which I prepared for the UN after my return to Sussex in 1969. I keep on saying return, but for me it was not a return it was a first arrival. My first activity which straddled my last month in the UN and my first month at the IDS was to work with the ILO on setting up the World Employment Programme, which was then developing. We became aware towards the end of the 1960s, that while there might have been growth, even 5per cent growth of GNP (gross national product) on average, according to the target of the decade, it was jobless growth. The Arthur Lewis model said that when you pull people out of agriculture and into industrial development and urban development that creates employment and reduces the hidden unemployment in the agricultural sector and creates employment in the industrial sector. But this did not operate in that way. The Harris-Todaro model had already thrown doubt on this by stressing the higher levels of welfare in the urban areas we would say today not just in terms of income but also in terms of access to education particularly to health facilities. If the welfare level in the urban areas was twice as high as in the rural levels, it was quite rational for two people emigrating from the country to the town in search of employment, two people for every job opportunity. This involved heavy unemployment in the towns, and then we all realized that we could not have full unemployment in the strict sense, because of the lack of any social welfare provision. People could not be fully unemployed, and that is where in the World Employment Programme came the first dawning of the notion that urban unemployment took very largely the forms of disguised unemployment—of people being busy with something, even something that brought in some money but which was socially quite useless. Joan Robinson put

it as "selling matches in the strand." That was the notion with which we started. Then, Richard, in our joint Kenya report, we looked at the informal sector, and we found that it was not disguised unemployment—that many of the activities were useful activities, useful types of production and services of poor people for other poor people. And we also discovered that there were linkages between the informal and formal sector. All this was a further development from what I now think was a slightly false position in the original conception of the World Employment Programme to show that there was heavy unemployment in developing countries as well, even though the figures were not there. It was a big step from that to say that what we called unemployment, at least in the urban sector, was a problem of the working poor.

RJ: Looking back, Hans, now twenty-five years later, in many countries in Africa at least, formal sector employment has grown so little and yet the population must have doubled and the urban population often gone up three times. Do you think this casts some doubt on the rather rosy picture of informal sector employment that, with the help of John Weeks, we painted in Kenya?

HWS: Well, of course, we didn't paint an entirely rosy picture. We called them the working poor. In other words, we did realize there was a poverty problem. In that sense, it was not rosy because people were not working for a proper standard of living. They did socially useful work but they did not get a proper level of welfare.

RJ: Nevertheless then, looking back twenty-five years do you think the working poor have become the working *very* poor, and doing the socially useful tasks has increasingly become more and more people finding scraps of opportunity to do less and less by way of their total social contribution?

HWS: Yes, I may have tended at that time to underrate the real unemployment problem in developing countries, of people who were really not rendering useful services both in the urban and rural sectors. Because in 1969, 70-71, it was still before the big increase in oil prices, before the destruction of the Bretton Woods system. It was still the time in the industrial countries; we still had a Keynesian full-employment equilibrium of some kind. Therefore, we had forgotten or dismissed the unemployment problem. Today we have a completely different situation. We know that certainly in the industrial countries, there is such a thing as jobless growth, a growth of unemployment. We are all very worried about it, in some countries, in continental European countries, you have unemployment levels that remind you very strongly again of the 1930s. In the economies in transition, there are even worse unemployment problems, extraordinarily high unemployment rates among young people and that makes you wonder about, makes you skeptical, makes you question the political and social sustainability of what we have today. That is one of the doubts about the structural adjustment programs today. Once you have this picture of jobless growth, combined with the fact that much of the urban employment today is due to a transfer of a more capital intensive technology, partly by multinational corporations and partly outside. That became also one of my strongest interests, immediately after my return— the transfer of technology, science and technology. When I got here and discovered the wonderful institution called SPRU (Science and Technology Policy Research), with Chris Freeman and Geoff Oldham and others actively involved, I immediately felt a strong community of ideas and collaborated very closely with SPRU in my first years at IDS.

RJ: Hans, before we get into SPRU and science, let me press you on one or two points about the ILO Employment Programme and the ILO employment missions. My perspective is that often in the UN, when something really innovative and dynamic occurs, you can identify

some key people that played a key role there. We are all aware of the role of Louis Emmerij, and surely that was very clear. He was dynamic, perhaps even aggressive, but certainly very creative in developing the ideas and supporting a good team—Dudley, yourself, and some of the rest of us—and then making sure that the reports were given attention. Who were some of the other people at the time in the UN and in the ILO that you feel deserve real praise for that, judging them in terms of the average if you like of the UN. Were there exceptional people in ILO besides Louis?

HWS: I mentioned already several times Ajit Bhalla as a very important figure. I always thought he was particularly perceptive. Since I had this interest in technology and Ajit Bhalla was the head of the technology section, this resulted in very close collaboration also in subsequent years.

RJ: What about [Brad] Morse? What about [Wilfred] Jenks?

HWS: Well, Morse and Jenks, at the higher directorial level, were very, very supportive. They assumed that this concern with the World Employment Programme would strengthen the role of the ILO. They were very supportive, not necessarily because of a strong insight into the coming unemployment problem of a reemergence of the unemployment problem worldwide. If the World Employment Programme had to be developed today, it wouldn't need the argument that it opens up a new road for the ILO. The ILO has a role in expressing some complications into this simple picture that unemployment is a result of labor market rigidity, that all you need is flexible labor market and unemployment will disappear. Today this would not need much sophistication, but at that time, before the reemergence of unemployment problems, partly in other forms, partly in the same form, was still just beginning on the horizon.

RJ: As I recall, Morse, if it was Morse, created the World Employment Programme because it was the fiftieth anniversary of ILO in 1969.

HWS: I don't remember.

RJ: And I thought it was you, Hans, who said to me that they had created the World Employment Programme as a great idea to celebrate the fiftieth and then turned to you and to Walter Galenson to tell them what they should do about it. "We've got this great idea of a World Employment Programme, but what on earth should it encompass?" I think that often happens—and although it's easy for academics to laugh, I tend to think that's often the way of creativity—that a person way up there identifies a problem or an opportunity and then, if they are an open leader, provides an opportunity for people with ideas to step in and fill the vacuum they have created.

HWS: If I said this at that time that must have been my recollection at that time. Today with memories getting dimmer—well, I'm not too sentimental about it; it's a fact of life. I did not recall this at the time. But when you say this, yes, yes, that must have been the connection. The dates fixed you have mentioned it at the time that probably was the case. In fact I would say that I do remember the creation of the World Employment Programme in 1969, if you put that as the date of the fiftieth anniversary of ILO, was the remoter outcome of the Development Decade. The Development Decade involved my going to the ILO and discussing with Morse and Jenks and Louis Emmerij and everybody else there, the role of the ILO during the coming decade. And then in 1965, we had the half term review of the Development Decade, which involved a similar exercise. This did not come out of the blue. This was a result of ongoing discussions all emerging from the Development Decade. In a way, the World Employment Programme was a contribution of the ILO to the second Development Decade years.

JS: I just have a question for perhaps both of you. To what extent did you take into account during your work in Kenya, and in the World Employment Programme as a whole, what had been going on in India? You might remember, Hans, that people like Sushil Dey had been writing about spare time employment for gain, and there they'd even developed a quiet model in which the so-called underemployment or unemployment in the urban areas was taken up through a barter trade arrangement whereby blacksmiths would produce whatever the farmer would require in return for food and so on and so forth. There was a considerable amount of experience in India, both in terms of the informal sector and the black economy and in terms of what was actually going on. To what extent were you aware or did you draw on this experience and on the literature of the time when you were doing your work in Kenya and for the ILO generally?

HWS: Well, I would say, on the question of whether I was aware of it, I certainly was strongly aware of this. This was part of the work of setting up the World Food Programme. Public works projects in rural areas were the lifeblood of the WFP in addition to school meals and other projects, projects in rural areas. I was aware of the debate between Arthur Lewis and Ted Schultz on this. Ted Schultz always said in a firm way, that there was room for employment creation in the rural sector. You didn't need migration to the urban industrial sector. Of course some of the employment in the rural sector would also be industrial or would lead to industrialization. I was certainly very strongly aware of all this. If I hadn't been aware of this from the academic discussion then say between Arthur Lewis and Ted Schultz, which largely took place within the UN, because both were members of the sub-commission for economic development. So I was very strongly aware of this.

The other part of the question is whether this was reflected in the employment mission reports. Well the fact of life in Kenya was that you had a very strong migration, but migration

was not like Arthur Lewis had said. It was a sort of compromise between the Arthur Lewis view and the Ted Schultz view. You had migration to the urban areas, but it did not break up the extended rural family. You had a lively relationship; remittances were sent from the urban sector to the rural sector, men went back at harvest time, and on the other hand food was sent to relatives or neighbors in the urban areas. That we emphasized in the Kenya report—the links between the rural and urban sector, which was a combination of the two. I believe that it was equally emphasized in the Colombia report.

RJ: Perhaps I can slip in here one important reference. Our ideas on the informal sector in the Kenya mission were considerably influenced by, and built on, a conference at IDS that was held the previous autumn, I think 1971 October, something like that, organized by Rita Cruise O'Brien with quite a distinguished cast of development characters coming. The conference built on the article by Keith Hart on the informal sector and on a whole range of other articles. It would be interesting to see who presented any of the Indian experience in that conference. There would be a full report of that.

HWS: Another influence that I would mention, at least in my case quite strong, was Scarlett Epstein with her Indian village studies. I was the supervisor of some of the Ph.D. dissertations under this program. I'm not quite sure now how many. To some extent I was not the supervisor examiner, but I was involved in following these studies. That made a great impression on me at least, personally.

JS: I thought you would have also mentioned, Hans, your involvement in WFP study number one and number three on the closed loop projects. You might remember there was quite a degree of controversy between the Ghokale institute, which wrote number one, and Rosenstein-Rodin, who wrote number three. Rosenstein-Rodan felt there was a much greater opportunity for

closed loop projects, meaning that the main ingredient was the labor of the people themselves, than did Ghokale. Ghokale felt that you still required a great deal of external capital or non-labor inputs, and so that the opportunity was not as great as Rosenstein-Rodan had made out. I found in the UN archives, your correspondence dealing with this conceptual conflict and how interestingly you found a great deal—

RJ: Which year was this?

JS: This is 1964-65. And I found that you took some sympathy with the Ghokale institute and its number one report and tended, not to throw doubt on Rosenstein-Rodan, but at least to temper its enthusiasm. Is this right?

HWS: Yes, this fits in with my recollections, as far as they go. In the discussion of theories of balanced growth versus unbalanced growth, I have (with the Korean experience in mind) always favorably inclined towards, or let me put it this way. The man I should really mention now is Albert Hirschman. He had always argued that Rosenstein-Rodan's idea of this form of barter economy or balanced growth, where the supply of one sector provides the demand for another sector and vice versa, that this was an oversimplified picture. But in reality, development is a much more complicated process that requires institutions and policy interventions and reforms of property rights and lots of other things. I was always inclined to this Hirschman view, and related to that I would in that controversy be also inclined to that view.

JS: Hirschman this time had visited, you might recall, World Bank development projects and wrote his famous book on development projects.

RJ: But you are going back, John, to the UN in the sixties, and I want to stick to Hans's part in the 1970s. If I can try and stick to this—otherwise we'll run out of time. But can I just ask about Walter Galenson at the ILO? He lasted a short while as a co-advisor with you to the World

Employment Programme. Did he make any significant contributions that you recall? Was there a lot of controversy with him?

HWS: Not that I recall. I don't recall any. But the name of Walter Galenson reminds me of a lot of discussion to what extent the World Employment Programme should remain an internal UN activity. To what extent it should not involve academic institutions outside. Was it really a program that should be developed as a UN program, or was it something that should stimulate policy changes and change in thinking? The recruitment of Walter Galenson and other outside experts was an attempt not to keep it entirely within the framework of the UN, with which I agreed because after all the IDS became involved and was also not part of the UN system.

RJ: Hans, on that theme, to what extent in your experience was this effort or this tendency to try and keep activities run by the UN rather than drawing on the outside? When you came to IDS did you feel that this gave you new opportunities to operate as an outsider and draw others into the UN?

HWS: Yes, but that would have been a natural feeling for me. I didn't feel any sharp distinction in my own work because as John had said, with his list of seventy-eight reports, I divided my time more or less. The IDS at that time—I am saying something that you know so well yourself—but in the IDS of that time we were still more free than we would be today to select our own research priorities. We had a general mandate. But within that mandate, we were free to pick and choose. And for me, with my background in the UN, it was natural to pick and choose. It was natural to try to keep my feet in both camps. And of course, Dudley Seers and other people in the IDS also had UN backgrounds.

RJ: Hans, let me come to what I believe is one of the great ideas to have grown out of the employment missions, and that was redistribution from growth. I've described elsewhere your own role in creating this idea as part of the Kenya mission, that evening in the Fairview Hotel, when you first presented your ideas for redistribution from growth as an integrating theme of the whole report. Dudley led the laughter as we all chuckled and thought what an absurd idea. And then by the next morning, we were utterly convinced. But now I feel I ought to ask you, what are your perceptions of how those ideas came to you? Had you been thinking of them before the ILO Kenya mission? Had you had involvements beforehand?

HWS: Well, like any other economist I thought about the welfare effects of unequal income distribution and that, by redistribution of income, you could increase welfare. That was inherent in the Beveridge report. I'd been brought up to study [Arthur] Pigou and inequality quite carefully. I was very impressed by Thorsten Veblen on conspicuous consumption, on the way in which inequality of incomes creates useless consumption. I was very impressed by Keynes's essays on the *Economics of Our Grandchildren*, where he also said that once you reach a certain income level, further increases in income become really useless. It's more useful to devote your mind to other things, to arts or leisure or philosophy or other things. The general idea was there, but with the hindsight of today, I would probably express it in a slightly different way—not redistribution *from* growth not even redistribution *with* growth but the present version of this, which has become part of the mainstream thinking now, even under the Washington Consensus, which is that you must talk not only about growth but a certain pattern of growth. The pattern of growth matters. There are different kinds of growth, some of them reduce inequality and poverty and others don't. We want to create a certain pattern of growth which after all contains the essence of redistribution from growth or with growth.

RJ: I thought you were going to say redistribution *for* growth, with the review of the recent evidence that redistribution is a positive force for growth.

HWS: Well, on that point, we all were becoming aware of the studies of the residual factor—that physical capital accumulation did not seem to explain the totality of growth. That was also part of the Development Decade, which gave us the idea not just of human capital, but of human development as the objective of development.

RJ: But Hans let me still press. When we went to the ILO Kenya mission, we already had talked about the informal sector, and we had the meeting here in Sussex. So we knew before we started—and by having John Weeks there—that we were going to make the informal sector an important part of our analysis. But did you have any idea before you went that perhaps redistribution from growth ought to be a theme in the Kenya report? Or did it just come to you that day or one or two of those months of the mission?

HWS: Well, I figure it came to me largely as a result of very intensive discussions we had with Philip Ndegwa, Harris Mule, Philip Mbithi and others from the University of Nairobi, including Dharam Ghai and the internal discussions we had in the mission. I do not recollect, and I do not assume, that I personally went to Kenya with a fixed idea that that was supposed to be our important finding. But the existence of a large informal sector was general local knowledge. Philip Ndegwa, he kept on drawing our attention to it and so did the others I mentioned and some of the people I did and did not mention.

JS: But there was no spark, as it were, that ignited. This emerged out of, for example, even going all the way back to *Men Without Work*. It wasn't as if it were one spark that ignited this inspiration on that event in the Fairview Hotel. But it was an accumulation of both your reading, your own writing, and your own experience?

RJ: I hate to disagree, John. To me, the essence of redistribution with growth was new.

JS: I'm asking a question by the way. The way I would put it, was there any element of redistribution from growth in *Men Without Work*. Was there? I don't think so.

HWS: Well of course the first thing to say is that *Men Without Work* was written at the time when there was no growth, in the middle of the Depression when output was declining and it was a question of sharing the decline rather than sharing growth.

RJ: We were talking Hans about *Men Without Work* and whether there were any echoes at all of redistribution from growth ideas in that.

HWS: Yes, I said I would question it. There was also a gap of over thirty years between *Men Without Work* and the employment mission. The experience that was much more in my mind, certainly to someone of my generation, was what the war had done. Keynes's proposals for new order, the rise of development economics as a special branch of economics, the Beveridge report, the welfare state. In the war, of course, the idea of income transfer from rich to poor was very obvious. The whole rationing system was to create a new type of income that would be equally distributed. The ration card was the new money that was much more equally distributed. If there were inequalities, they were inequalities according to need, not according to the job you were doing or your status. So that was a much more plausible connection than with *Men Without Work*.

RJ: Let me take you on to what happened to redistribution from growth and in particular the World Bank study, and a question I don't think I've ever asked you or heard you speak about. Were you happy with the way that Hollis Chenery and the World Bank tended to take the ideas of redistribution from growth?

HWS: Yes, but of course, you yourself were a contributor.

RJ: I was there but that doesn't mean we were totally happy with it.

HWS: I was happy that the idea was taken up, and I was particularly happy that it was taken up by the World Bank because I had a very checkered history of relations with the World Bank from the SUNFED days. And then my attempts—John will know a lot more about this—the rebuff which we got from the World Bank, in spite of our friend Reutlinger, the rebuff we got from the World Bank when we tried to interest the World Bank in food aid, when we tried to bring the World Food Programme into relations with the World Bank. There were very good relations with the staff existing at the time. In fact, I was asked to take part in some of the World Bank work, but I was particularly happy that the World Bank took it up, to the best of my recollection I felt perfectly happy with it, yes.

RJ: I think Hans we should come on to the some of the other issues.

HWS: The formulation of redistribution with growth was to my mind preferable to redistribution from growth, because it was a step towards the idea of a certain pattern of growth. Not that we are poor first, let growth take any form it likes, and then you use the resources to alleviate poverty, but that you need the type of growth that also involves some redistribution. So it was in a way a big improvement, as I feel today.

RJ: Good. I think it's a pity that the Bank didn't do more about redistribution with growth once it had got the report. With the departure and death of Hollis and the departure of MacNamara, redistribution with growth ideas faded.

I'd like to ask you about global inequality and the global marginalization of the poorest and least developed countries as one of the dominating features of the development pattern of the last thirty to forty years. I would ask you both how much you felt that the seeds of this were visible earlier in post-Second World War development, and also, now looking ahead, what do

you think needs to be done about this. Since 1960, the gap between the poorest and the richest countries relatively has grown (the poorest is 20 percent), and of course, in absolute terms has grown phenomenally.

HWS: And it has also grown within countries.

RJ: Yes. What do you have to say about these tendencies, and what do you have to say, Hans, about what the twenty-first century must do to deal with them?

HWS: The first thought, which I expressed in the message in Bonn, which Robert Chambers read out, of which John has now a copy, the point I made there was you can't really speak about globalization; it is an inherent contradiction. They've been saying: we are in an era of globalization, yet with growing exclusion, with growing inequalities. This is rather the development of a new type of dual society, not the dual society which the development economists talked, which Arthur Lewis talked about, but a different type. Therefore, logically, if you believe that globalization is a good thing—that access to new information technology, that greater interdependence between countries is a good thing (which as a UN man one should believe)—I always felt that seems a dangerous thing to say, that the natural further development of the UN is towards more international regulation and powers at the global level and that some interference with sovereignty is not only defensible but inevitable. If you are serious about certain matters just like in the case of conflict, avoidance of conflict or peacekeeping, well you must take some measures to bring the excluded people into the stream, to reduce inequalities, the growing inequalities that globalization automatically involves, anyone could have forecast that globalization would involve increasing inequalities, because you create new opportunities but the ability to take advantage of these opportunities is very unequally distributed. If you have lots of people who cannot take advantage of the new opportunities, whereas other people can, well

that's the same thing as saying there will be growing inequality. In the case of Africa, which is the worst example of exclusion in a sort of global perspective, what we need there would be something of very large dimensions—a Marshall Plan for Africa, I mean the Marshall Plan dimension type of program for Africa.

JS: Could I ask Hans whether you feel the Secretary-General's report on the reform of the UN system adequately or sufficiently emphasizes this point?

HWS: Well, again, I cannot answer that question immediately.

JS: You have seen it?

HWS: I've read the report.

JS: But you need to refer to it again.

HWS: But I would like to point out, sorry, this looks very self-centered, but this is the point. In the work on the terms of trade, the idea of growing inequalities is also inherent—that the producers and exporters of primary commodities are at a disadvantage in a world trading system and will fall further and further back, other things being equal, if nothing is done about it. So the idea that globalization or more trade in relation to output or greater interdependence involves elements or dangers of inequality. This was certainly not new to me. That was a very, very old idea for me. Then in more recent work on terms of trade, it still preoccupied me very much indeed, in my earlier years in IDS. Then, of course, I extended that together in collaboration with other people, especially in cooperation with Sarkar I extended the same to manufacturers and discovered that it is not so much a matter of primary commodities versus manufacturers; it's a question of low technology production, whether primary or manufacturing versus high technology production. People who are in positions of technological knowledge and access to high technology are advantaged in the world trading system. Therefore it becomes very

important to make the developing countries more technologically efficient as the Korean model. So all this globalization, in a way, is just a new name for an old, old worry. The inequalities inherent in globalization is the new name for a very old well-known phenomenon.

RJ: Do you see any recognition of the need to strengthen the hand of developing countries, particularly the least developed, in respect of technology?

HWS: Oh yes very strongly so.

RJ: Where? Why don't you expand?

HWS: Well in the Sussex Manifesto on science and technology, which was also written in the early years of the IDS.

JS: 1970.

HWS: We made a number of recommendations in that direction—that developing countries must spend a certain proportion of their income on their own R and D, research and development activities. They must be helped to identify the priority areas for their own R and D work, that their R and D that is carried out by the industrial countries like the agricultural research area on wheat and rice should be extended to the crops that are very important to developing countries, sorghum, millet and root crops, cassava, or manioc and so forth. Those proposals are made in the Sussex Manifesto on science and technology. Then we were always very much favorably inclined to what the Intermediate Technology Group was going to do. Given the concentration at the time we found—but it would still be true today—that 90 or 95 percent of the world's R and D work is either in developed countries or by multinational corporations rooted in developed countries. We suggested even targets for reducing that percentage.

RJ: But, Hans, even as you go down some of the key recommendations of the Sussex Manifesto, I have a feeling of some despair. I hear you say more research on sorghum and millet and the poor people's crops in Africa, and I suppose you could add poor people's crops in India. I say, aren't we still making the same recommendations in terms of strengthening the support for technological domestic research in the least developed countries. Is that happening? Surely education has become weaker, certainly weaker relatively. We've seen in the Asian Tigers, success in all these respects. But for the least developed countries we haven't. So I come back to my questions about these tendencies to inequality, not only in result but in the very elements that create the inequality—inequality in technology, inequality in control, inequality in ability to invest and so forth. I ask you, what needs to be done to bring these points home to the global economy, the global community more effectively, and also where you see any points of hope in it?

HWS: Let me put it the opposite way. The main danger, I see, is that today we are doing the opposite to what is required. We urge the least developed countries—I'm not speaking of Korea, not speaking of India now, I'm speaking of Africa, Afghanistan, Haiti, least developed countries—we are urging them now to do exactly the opposite to what the Koreans did. In other words, we are urging them now to be outward oriented before they are ready to do so productively, with the benefit to themselves. It leads me back to the discussion on the East Asian miracle report, which we talked about the other day. The story is that the Koreans were successful because they were outward oriented, export oriented. The truth is—as Robert Wade, Alice Amsden and lots of others pointed out—that Korea, first of all was helped by enormous inflows of aid and also of technology transfer from the Americans, particularly after the Korean War and to some extent also by the Japanese under wartime and postwar reparations. The

Koreans went through a long period of import substitution to build up an industrial structure, which was technologically able to develop into export industries. And even to the present day, import substitution still plays a tremendous part. The way I put it in various writings was that the successful policy of the Koreans was to set up an industry, disregarding the static comparative advantages, disregarding the market, going in for deliberate market distortion, with preferential credit allocation, with the support of every kind, contrary to the what the market indicated, to build up certain industries as export industries. At first these exports had very little added value. For every dollar worth of exports, you had to import 90 cents worth of imported inputs, including technology to produce these exports. And then, systematically, by import substitution they reduced that 90 cents to 70, 60, 50 cents, to build up the capacity to produce these exports fully domestically, not just as a finishing touch to imported inputs. Therefore, whether you say the policy is inward oriented or outward oriented doesn't make much sense. It's the famous glass of water, half full or half empty. You can call it outward orientation, because it certainly promoted exports, with a rapid increase in manufactured exports. But there was also import substitution in the double sense of, first, having a preceding period of being able to absorb the technology and other inputs that were needed and then to build up the domestic capacity to increase these inputs. And of course at the same time they also applied new technology to their agriculture in their own food production. So it was a balance in that sense.

RJ: Hans, I think we should come to some summary questions. You've already touched somewhat on structural adjustment in the 1980s and 1990s. Perhaps I can ask you for an overall comment from your perspectives of Keynesianism, of Keynes and of UN Bretton Woods relationships over the long run. What are the main lessons you would draw from the experience of adjustment over the last two decades?

HWS: Applied to developing countries?

RJ: Yes.

HWS: Well the first lesson I would draw, and I have published several articles on this, is that the statistical evidence for success of the structural adjustment programs is very poor. The World Bank and IMF are trying to show in different ways that structural adjustment has been successful. When it hasn't been successful, the argument is always that it was not logically or systematically followed through. The political will was not there; and then you have unhealthy developments like when structural adjustments fail, the government is blaming the World Bank and IMF which is very unhealthy from the point of view of building up good international institutions. The World Bank and IMF are blaming the government. Then I have always very strongly pointed out that if we do believe in structural adjustment, it requires a global scheme of price stabilization of terms of trade, otherwise you get the fallacy of composition. If you have structural adjustment program separately for each country, encouraging each country separately to be outward oriented, to cut out budget deficits, to control the rate of inflation, to put itself in a position to repay debts—if you do that separately for each country, you get the fallacy of composition. The end result will be an oversupply of primary commodities and increasing debts rather than debt repayment and rectification of balances of payment. Then I also always criticize the way in which the structural adjustment programs are being negotiated or "negotiated"—in a very narrow financial framework. One of the suggestions I made—I know it sounds unrealistic at the moment—is that the structural adjustment negotiations should be in a much larger framework. You shouldn't just have the World Bank and IMF on one side of the table. You should have the FAO there, because structural adjustment has a big impact on agriculture. You should have the World Health Organization there, you should have the UNDP there. Certainly,

and on the other side of the table, you shouldn't simply just have the minister of finance but also the minister of agriculture, minister of health, minister of education, and, if there's such a person, the minister of social welfare, or whatever institutional arrangement might be.

RJ: So you would have had to have the prime minister in the chair. And that might have meant that, perhaps, fewer prime ministers would have agreed to policies that eventually lead to their overthrow.

HWS: No, the person whom I would have had in the chair would be an independent outside expert, not from the country, not from the World Bank or IMF. And also the monitoring of structural adjustment programs should not be done either by the country itself or by the Bretton Woods institutions. It should be done by independent evaluation.

RJ: What do you think—this is a rather specific question but I can't resist it—what do you think the UN and UNDP, as opposed to the Bretton Woods organizations, should do at this moment in time of reform in relation to structural adjustment?

HWS: UNDP makes its big contribution by the Human Development Reports.

RJ: But not, actually, at country levels. It does country level Human Development Reports, but so far it does not get involved in leading a UN effort within the frame of human development vis-à-vis the Bretton Woods organizations.

HWS: What I already said I would recommend. I would picture—a future utopian hope—that the UNDP country representative or somebody else specifically selected for this, would be part of the structural adjustment program. Every measure that is being proposed whatever it looks like—whether issuing new bonds or whatever issue is produced—would have attention drawn to the impact of this on poverty on human development. The ILO man must

draw attention to the impact on wage levels and so forth. That is how I would picture the future development.

The alternative, which would also be a big improvement over the present situation, is that we return to what is now being proposed often as part of UN reform, though not in the Secretary-General's report but by others to create an Economic Security Council or a much more highly empowered ECOSOC, to create in the UN, an organ that can take a view which avoids the fallacy of composition, which has a global picture of what the totality of World Bank activities, of IMF activities, of national initiatives, of what bilateral and multilateral aid programs amount to and be able to recommend improvements, hopefully even with binding force. These two things are not necessarily exclusive. One could have more immediate reform in the way structural adjustment programs are negotiated, while at the UN level some kind of central organ is being created.

RJ: Hans, looking back at your time in IDS—my goodness, nearly thirty years, it is extraordinary, isn't it? And it is very interesting actually, 25 percent more than your time in the UN. Hans, what do you think of all the things you've done at IDS, which are the ones you think are the most significant in the sense that people will look back on them as they look back on the gains of trade as one of the seminal pieces of post-Second World War thinking on development, perhaps on global thinking on development more generally? But of your work in IDS, which do you think are the pieces that most stand out?

HWS: The first that comes to my mind are the employment missions, the Kenya mission. I mentioned the Sussex Manifesto, I mentioned the extension of the Prebisch-Singer terms of trade thesis to the case of manufactures, changing it from an emphasis on different types of

commodities to the emphasis on the different kinds of countries, emphasizing, in the manifesto on science and technology, and elsewhere the human capacity.

RJ: For those four contributions, John, do you have any questions on this theme of things that Hans has done? You've compiled a list. What you think Hans ought to mention in addition to those four?

JS: You mean in the IDS not in the UN, because unfortunately, a large number of things that Hans has done we haven't been able to touch upon. There's a whole list of things there. But one thing, I might mention, Hans, somewhat partially, is the initiative you took up in IDS to set up the Food Aid Cluster. I have argued and written that that cluster, which consisted basically of three people led by you, has had a greater impact on a sector or area of aid than any I can think of in any other sphere. It is, to spare your blushes, now widely recognized. The pioneering and clear role that you have played in food aid, not only, of course, with the World Food Programme, in your early work and then afterwards, but also with your work in Washington with USAID (U.S. Agency for International Development) and including Title One.

RJ: Before Hans came to Sussex?

JS: No, no, that was actually done, the food aid and Title One was done in 1983. But you might remember Richard when we had the twenty-fifth anniversary of IDS, I took the liberty to criticize your own introductory paper in my comments that perhaps IDS itself is not fully aware of the enormous impact of the work that Hans and a small group, Edward Clay and Simon Maxwell, has had in that whole area of aid. So that is certainly one area that I would emphasize.

HWS: I should have mentioned this. The work on food aid occupied a lot of my time. I published at least two full books and many contributions and articles on this. Perhaps the concept of the gray food aid is very important. I tried to put food aid in the context of world trade in food,

not to look at food aid as a separate thing. But, of course, I was particularly lucky to find here in the IDS two very congenial souls, Ed Clay and Simon Maxwell. I consider myself particularly fortunate in having found congenial collaborators at first in the UN—the two big congenial collaborators were Prebisch and Gunnar Myrdal. Then when I came to the IDS, originally in the employment mission era, the two congenial collaborators (already earlier in ECA but in the IDS) were Dudley Seers and Richard Jolly. And then in the narrower field of food aid, I found Ed Clay and Simon Maxwell. In the case of science and technology, I found Chris Freeman and Geoff Oldham. I mean, I've always been very lucky in not working on my own but being a member of a trinity, you might say. Well it happened to be two, I could of course mention a few other names, but it was two of the more or less important names.

RJ: And you started with Keynes and Schumpeter.

HWS: That was not collaboration; that was something else!

JS: In fact, in my own work on Hans and in the compilation of the enormous list of publications which stretches to well over 400, one feature is how Hans has gone out of his way to collaborate with others, which has also had a stimulating effect on his colleagues. There was the reverse. Yes, he has benefited but so have many of his colleagues and dare I mention, including myself, because it is now well over thirty years since that fateful day when Hans appeared at my gate in Khartoum. We have continued over that length of time to collaborate, to my benefit, in so many ways.

RJ: Hans, if I may ask you a question. You quoted earlier on some of the literature of the thirties and so forth. How have you managed to write so much and to keep up with the literature, when I've heard you say many times that actually you don't read very fast, you read rather slowly?

HWS: Now. I used to be not specially slow but an average reader. I never had the capacity of looking at a page and taking it in as a whole, which Dr. Temple had, but no, I did this because I sacrificed everything else. I did nothing else. I don't think in my almost thirty years now, as you reminded me, in the IDS, in the first twenty years, I doubt whether I took any holidays other than the travels. I traveled a great deal. I didn't feel I needed any holidays. I always found putting things on paper very easy, in spite of lack of knowledge of new technology, information technology, but I found it always very easy to write, to put things down.

RJ: Looking back would you still allocate your time like that Hans?

HWS: No, no, I made a big mistake. For myself personally I should have cultivated my other interests, friendships, family more than I did. Yes, that's what I feel very strongly about.

RJ: But Hans, in terms of friendships within IDS and friendships, professional friendships and kindness to the many, many students and visiting fellows and Third Worlders coming to IDS, you were exceptional in giving time. I remember when I was here, many times people would complain that these fellows didn't give them time, the students couldn't see them, they were all so busy writing, this, that, and the other. But you always in the cafeteria, in the office somehow miraculously made time for other people.

HWS: My door was always open, yes. That I enjoyed tremendously, the contact with students, with young people. I got a lot out of it too; a lot of my ideas came from discussions with students or reading dissertations. You could grade them, you could mark them, but then quite often some of my collaborative work, some of my articles, were jointly with students.

JS: Can I add to this that I have come to see another huge area of Hans's activity? Not only has he read so much and written so much but his correspondence throughout the world is phenomenal. And alongside that, one could add enormous correspondence with the media, the

press and the like. One of my tasks is to go through a great mountain of material which gives this impression of a bubbling of ideas, the seeking of interchange with other people. It seemed to interest you a great deal, Hans.

HWS: I was an avid newspaper reader, I mean newspaper and journals. A lot of my letters to the press arose from something I read which set up doubts in my mind or suggested new thinking.

JS: But many people might read but few have written and responded.

HWS: As I said I found it always very easy to dash off a letter to the *Financial Times* or to the *Guardian*. Well that takes me back to my time in Manchester during part of the war. I had very close links with the *Manchester Guardian*, as it was then still called. There again, friendship counted for a great deal. I became very friendly with A.P. Wadsworth probably his name is not known now anymore, but he was first in my days deputy editor or deputy to the editor of the *Manchester Guardian*, that was the famous P.C. Scott whose name is much better known. And then A.P. Wadsworth became the editor, and I became very friendly with A.P. Wadsworth. And A.P. Wadsworth would very often simply ring me and ask my opinion on some economic news that had happened. Then of course I had become an expert on the German economy—to the extent that somebody not directly involved, not without access to secret papers could be an expert in England—during the war. This was a very topical subject, so Keynes was very interested. He put these articles in the *Economic Journal*—every issue during the war. I was always very impatient. My output in terms of books, full books written by myself alone, is not all that strong in relation to joint books, joint articles, short notes, letters to newspapers. I always liked to be finished with something and turn to something else. And that's why collaboration was often very useful to me and quite often to somebody else.