

***Sanjaya Lall: a personal tribute***

By Frances Stewart

(Delivered at the memorial service for Sanjaya Lall in the University Church)

I first met Sanjaya in 1969 – we were both working with Paul Streeten – Sanjaya was working on a project about foreign investment in developing countries; I was doing my thesis on technology and underdevelopment. There were big overlaps in our interests and these remained over the following thirty five years. In many ways our lives have been closely interwoven.

We worked in parallel, and quite often together; we frequently took joint classes, the last just last May. We supervised many of the same students sometimes at the same time, sometimes at different times, students like Giorgio Barba Navaretti, Sonali Deraniyagala, Carol Siew, Roberta Rabellotti, Wolfram Latsch, Sabina di Addario. We worked together on a book and articles on industrialisation in Africa. We often went to the same conferences – I remember Sanjaya in Bellagio, in Geneva, in Madrid, in Washington, in Helsinki, in Yale, as well of course as in Oxford. We lunched together regularly; and for the last ten or so years of course we met almost daily, as we both worked in the same building, after Sanjaya joined QEH from the economics Department and Sanjaya became a central member of the close team who helped QEH to flourish.

Sanjaya was a quite exceptional member of the academic community, as a researcher, as a teacher and as a policy adviser. He was one of the world's outstanding development economist, pre-eminent in the field of industrialisation and hugely sought after as an adviser the world over.

As a researcher, Sanjaya made important and original contributions in a number of fields – on transfer pricing, the pharmaceutical industry, third world multinational companies, technological capabilities and upgrading, industrial planning, and sources of export competitiveness. Although his work moved on, his ideas and conclusions from earlier work remains completely relevant.

On transfer pricing – particularly in relation to pharmaceuticals – he pointed to the huge rents that companies were able to levy, and identified policies that might help counter these rents. He contributed to UNCTAD's policies in this area, in those halcyon years in the 1970s when UNCTAD was allowed to have a policy. The world has now just about caught up with this finding – with the recognition that we have to reduce these excess prices if we are to be able to treat AIDs and now bird flu in developing countries.

In the 1970s too, Sanjaya was probably the first economist to note the growing importance of third world multinationals and to analyse its implications. Like much of Sanjaya's work this arose from frequent visits to developing economies and to industrial sites (at this time mainly in India), careful reading of the financial press. Sanjaya looked at economies as they are, not through preconceived lenses – and it was this that enabled him to see that countries were not just passive recipients of technology from the West, but active participants. That was one reason why he wrote his powerful, but controversial, attack on the concept of dependency. His

perceptiveness of this issue is illustrated by the fact that today the US is trying to protect itself against take-over of key firms by Chinese and Indian companies.

From the analysis of third world MNC Sanjaya moved on to examine the sources of their comparative advantage and particularly their technological competence. He developed the concept of technological capabilities – a complex of capabilities including the ability to choose, to improve and eventually to develop technology. He insisted that to be successful in industrialisation a country had to acquire technological capabilities. It was essential to be able to modify the imported technology to suit local conditions. This was the message of his important book, *Learning to Industrialise*.

He also argued that this would not happen automatically. Active government policy was needed to promote technological capabilities. He took on the World Bank, arguing that they totally misunderstood the success of the East Asian economies – the free market would not allow countries to develop these essential capabilities – hence the many failures of the liberalisation policies in Africa.

Perhaps the last stage of Sanjaya's intellectual life was the most important and exciting. He analysed the nature of export growth and sources of success in exports. He pioneered a new classification of output into low technology, medium technology and high technology, and with this seemingly simple but powerful tool he showed how high technology exports outpaced all others, and countries that specialised in them succeeded far better than those that stuck with lower technology exports.

As this brief overview has indicated Sanjaya's work was innovative; it was empirically grounded; it was highly relevant to contemporary development issues; and it was also brave. He took on both left and right, with huge enthusiasm and great integrity.

Sanjaya was in immense demand from Governments of developing countries. He worked with more than 40 governments, in sub-Saharan Africa and Asia, and latterly in Central and Eastern Europe. Developing country governments liked him for the relevance and clarity of his views; because they shared objectives – to be successful industrialisers; and because they thought he was on their side – they did not think he had some hidden agenda. As well as advising governments, Sanjaya made important contributions to the UN – particularly to UNCTAD earlier, and recently to UNIDO.

Sanjaya was an inspiring teacher. I know this from teaching classes with him. We would give consecutive lectures – he always suggested that I needn't stay to after I'd given my lecture, but I always wanted to stay – for the enthusiastic presentation, the brilliant powerpoint presentations, where curves appeared from nowhere and beautifully illustrated each point, and above all for the content of the talk which usually included some new data and new ideas.

Sanjaya was a constant presence at the old Queen Elizabeth House; I shall remember him walking across the lawn or having coffee, talking excitedly to a visitor, perhaps a passing finance minister or minister of industry, perhaps a head of a UN agency, perhaps a student; whoever it was Sanjaya and his visitor would be totally engrossed; it's like one imagines academic life when one is young; just occasionally it is like that.

When Sanjaya died I received many emails from former students. I'd like to read from one written by a group of students.

He was a pioneering economist who is globally renowned in the field of multinationals, technology and development. For such a world leading scholar he interacted as a truly selfless friend to all of us. We shall always remember his intellectual leadership, originality, depth. His freedom of thinking. His deep interest in the details of firms learning and innovation, of transnational corporations and foreign investments, of technology, and his state of the art ideas on 'technological capabilities'. His intellectual generosity, his enthusiasm and passion for development that he conveyed and shared with his students, friends and colleagues.

His loyal and warm friendship, His love for life and his capacity to see and enjoy the good and beautiful sides of life, His unextinguishable curiosity and genuine enthusiasm, his devotion to the cause of understanding the sources of development and contributing to make it happen, his intellectual rigour and honesty.

Our lives will be more lonely without him.

May the Lord look out for his family and loved ones.

Carlo Pietrobelli  
Rajah Rasiah  
Manuel Albaladejo  
Wolfram Latsch  
José Miguel Benavente

Ganeshan Wignaraja  
Henny A.Romijn  
Mikyung Yun  
Roberta Rabellotti

These students express what we all feel. We all miss Sanjaya. We share the sorrow of Rani, Maia, Parya and Ranjit, to whom he was so devoted.