Sanjaya Lall, Professor of Development Economics at the University of Oxford, was in the front echelon of contemporary development economists, and arguably without peer in his own fields of specialisation: technological capability, skill acquisition and industrial competitiveness; foreign direct investment, multinationals and technology transfer; foreign trade regimes, industrialisation and state policy in developing economies in the era of neo-liberal globalisation.

Sanjaya Lall was born on 13 December 1940 in Patna in India. His father was a senior civil servant and his mother a pioneering barrister who had returned from Gray’s Inn, London, to become one of the earliest female practicing lawyers in Bihar. After a brief unhappy entry into schooling in England, Sanjaya returned to St. Xavier’s High School, Patna. He went on to a BA with Honours in Economics, ranked first, from Patna University in 1960, before retracing his grandfather's footsteps to Oxford where he joined St. John’s College and took a first-class PPE degree in 1963, and an M.Phil. in 1965. He was a stalwart of that passing generation that could afford not to be bothered by a D.Phil and choose instead to get on straightaway with research, starting with an initial stint of three years at the World Bank. Apart from a two-year return in the mid-1980s, Oxford remained forever his home, where he served first as Junior, and then as Senior Research Officer at the Institute of Economics and Statistics for over 30 years; as a University Lecturer in Development Economics at Queen Elizabeth House; as a Fellow of Green College since 1982; and as Professor of Development Economics since 1999. It remained a puzzle why the formal recognition of his high professional reputation and achievements took so much longer to register in his academic home than in the rest of the world, where it was taken as just another one of those curious examples of the arcane ways of ancient universities.

The sheer volume of work accomplished by Sanjaya Lall testifies to his prodigious productivity. A recent curriculum vitae of his lists 33 book titles between 1975 and 2003, of these over a dozen being single, or co-authored volumes with mainstream academic publishers; there are 75 listed articles in reputable refereed professional journals; another 72 chapters in books; a further 67 reports for international agencies or governments; and yet 27 more articles in non-refereed journals and periodicals. Apart from this, he served on the advisory boards of several journals, and notably was the Managing Editor of the new and rising home-grown journal, Oxford Development Studies. He was also the Course Director for the M.Sc. in Economics for Development at Oxford University. His policy-related engagements were equally copious: he acted as advisor or consultant to a wide spectrum of governments and international development organisations, including the World Bank, IFC, UNCTAD, ILO, UNIDO, FAO, UNICEF, Asian Development Bank, Inter-American Development Bank, African Development Bank, the UN Centre on Transnational Corporations, ESCAP, OECD, ECLAC, the European Commission, UNU- INTECH, WIDER, and the Commonwealth Secretariat; he served as the Principal Consultant to UNCTAD on its World Investment Report, and to UNIDO on its Industrial Development Report.

It is a remarkable feature that this veritable mountain of output of dedicated research over four decades has focussed and built cumulatively on the intersection of a small number of large themes, viz., industrialisation, technological change, competitiveness, external economic linkages, and state policy. The work has also been painstakingly and methodically incremental in its construction of a virtual paradigm for the understanding of the dynamics and interaction of these aspects of technology and development, especially when viewed from a policy point of view. Inevitably, as the approach has evolved and demonstrated its relevance, so has its impact widened.

Impossible as it is to reduce such a large body of work to its essentials, if pressed, there would be three major areas of contributions that certainly need to be highlighted — and others could legitimately identify several additional equally worthy legacies. The first of these came early in the form of the pioneering work on transfer pricing by multinational enterprises, based especially on an empirical investigation of corporations operating in the pharmaceutical industry. It showed basically how multinationals could use intra-firm pricing and accounting mechanisms to siphon out, or invisibly repatriate, profits from their overseas enterprises. This was accompanied by extensive work on the role of foreign investment and multinationals in developing economies, done in part in collaboration with one of his early mentors, the learned Paul Streeten. Sanjaya’s fascination with India and the Indian economy led to his opening up a related, highly significant field of work in this area, viz., the phenomenon of third world multinationals, and developing countries as the exporters of technology.

A second interwoven, but distinctly colour-coded strand of work was on the development of technological capability in developing countries. Technology has generally mystified economists, and in turn, and true to their profession, economic theorists have tended to mystify technology. Technology is. Technological change happens. But what is ‘it’, precisely? How does change ‘happen’— mysteriously
by itself? Of course, there are several exceptions, from H J Habbakuk to Raymond Vernon to Zvi Griliches. Sanjaya Lall stands in a fine line of thinkers who have challenged the black-box, reductionist view of technology in economic theorising. In its place, he attempted to develop over time the notion of the construction of technological capability, whether in an enterprise, in a firm, in an industry, or in an economy. He argued that far from just ‘picking’ industrial winners, the East Asian tiger economies had carefully and proactively ‘created’ winners through the generation of technological capability and the acquisition of industrial competitiveness. The detailed empirical diagnostic analysis of this notion of technological capacity was one of his significant contributions.

This feeds directly into the third group of ideas that emerge from his work. How then should the industrialist, or the policy maker, in a developing country set about generating technological capability and industrial competitiveness? His empirical work carefully scrutinised the validity of the ubiquitous assertions that unrestricted flows of foreign direct investment through multinationals would lead to effective technology transfer into the manufacturing sectors of developing economies. Lall’s work tended to seriously question the automaticity of any such benefit transfer; it showed, however, the relevance of a proactive state policy vis-à-vis the domestic manufacturing and technology sectors. The importance of the role of the state in generating a successful path of competitive industrialisation has been one of the continuous threads running through his work both at the level of research and policy advice. In this context, he did not balk at taking on positions that were unpopular amongst the neo-liberal unfettered-globalisation school. For instance he argued consistently that the experience and the outcomes of import substitution-led industrialisation in the larger third world economies, e.g., India, Brazil, Mexico, China, had laid an indispensable platform for the construction of effective technological capabilities within these economies which could be exploited in the contemporary context through focussed proactive industrial, technology and external sector policies. Very early in his career, he wrote a paper which toyed critically with the notion of dependency. Ever since then, the issue of the viability of autonomous, not autarkic, industrialisation in third world economies has remained a latent leitmotif of much of his work. From start to end, Sanjaya remained a passionate, but scientifically rigorous, protagonist of third world industrial development.

One of the hallmarks of Sanjaya Lall’s work was that it bridged gaps that often make an island of the pure academician, including and perhaps especially the theoretical economist. He was consistently an applied development economist, who was out to test, validate or reject, reconstruct or redefine the assumed pathologies of cause and effect in his area of development. However, his interest was not simply in the empirical verification or rejection of abstract notions, but in the construction of a robust applied economics analytical framework which could provide policy-relevant answers to specific strategic questions about achieving technological capabilities and industrial competitiveness, especially in the context of developing economies. He also overcame those other clashes of cultures, between social scientists and scientists, between economists and engineers, economists and business managers, academics and practitioners. He made it his unremitting business to know how things actually ticked in the field of technological change, not how from the sofa-chair it might in greater comfort be assumed they ticked. He was equally at ease, intellectually and personally, in management boardrooms, as on the shop floor, as in lecture halls and seminar rooms. No less, in the matter of bridging gaps, he systematically attempted to carry across the transferable lessons from the experiences of successful learners to the late-comer or laggard nations. That this was not done mechanically is confirmed by the distinct strategic or policy analysis that he sketched out for African economies. It was definitely not a case of one-size-fits-all. Few others have quite managed this with the skill and effectiveness as he did, and this also explains, in part, why he was so sought after for researching and advising in this complex, turbulent and difficult field.

Sanjaya grew up an only child with his mother, his parents having separated soon after he was born. Having negotiated a lonesome passage through early life, and then a short failed marriage, Sanjaya found joy, stability and fulfilment through his enduring relationship with his vivacious and accomplished wife, Rani. They met at a university seminar in Oxford in 1976, married in 1977, and life smiled at them with a kindness and generosity that was matched by the affectionate, gracious hospitality and friendship always to be had at their elegant home in north Oxford.

A remarkable trait of Sanjaya was his self-deprecating modesty, laughing away lightly his substantial status and contributions, his consistent almost existential aversion to pushing himself into the limelight that he so well deserved — a quality as endearing as rare in the competitive cut-and-thrust of professional academic life. But despite his best efforts, the spotlight did find and fix firmly on him.

A kind and deeply civilised person, his instinctive reaction when exposed to any wrongdoing was usually one of reflection and puzzlement. He, like a significant tranche of the British and Indian nations, was an intellectual, emotional and cultural hybrid, often similarly at home or equally at sea, in either world. Though he embraced British nationality years ago, he would surely have failed, to his chuckling delight I imagine, any application of the Tebbit test of national loyalty during cricket games. Keen on opera and classical music, he had also been an accomplished photographer. In the late 1970s he showed me his earlier portfolio of photographs, shot in the previous decade, of one of his recurring subjects — trees, usually in singles, usually bleak, though beautiful in a melancholic sort of way. He lived, I feel, in his work, in his family, in their home, and was happiest pruning in Ran’s prize garden at the end of a long day of interrogating the data from his last survey. He travelled incessantly to everyone’s dismay; but he was at home when the end came.
Very many friends will grieve the loss of Sanjaya Lall, and these will include virtually all that came into contact with him and his infectious and pervasive quiet affection and charm. And many development economists, regardless of the idiosyncrasies of their individual persuasion, will mourn the passing of one of their stalwarts of the first rank. He is survived by Rani, his wife, their two daughters Maya and Priya, and one son, young Ranjit, about all of whom he fuzzed, worried and rejoiced far more than over his professional work. I do not think he photographed another tree after 1977.

Ashwani Saith
Institute of Social Studies
The Hague