Harold Lydall

Harold Lydall, statistician and economist, died in Adelaide on March 12, aged 92. His academic career began in 1950 with the pioneering survey of British savings undertaken at the Oxford Institute of Statistics. In a memoir of 1996 (drawn upon here) he wrote, ‘My own thinking has been governed by careful empirical study, preferably at “grass roots” level rather than by elaborate econometric analysis of aggregate data…’. Over forty years he used this approach to shed light on important issues, including the distribution of wealth and income, the dispersion of earnings, and the sources of growth.

Lydall’s forebears had lived in Oxfordshire for centuries; some had been college fellows. But, after the Boer War, his father migrated to South Africa and Harold was born in Pretoria on November 14, 1916. Nevertheless his schooling mirrored the typical English Anglican boarding-school education – chapel, sport, Baden-Powell, ‘prep.’, prefects and even the cane to instil the protestant ethic with its social obligations. Until he went on to Rhodes University College at Grahamstown, where he studied law, economics and Latin, he had little contact with non-whites and Afrikaans; (at school, Afrikaans was an alternative to French as a foreign language).

In 1936 he took up a Rhodes scholarship to study PPE at Oxford, and did not return to South Africa for 55 years. His tutors at New College included Richard Crossman, Isaiah Berlin, James Meade and Henry Phelps Brown (his ‘moral’ tutor and life long friend). He graduated first class, on the eve of the war which he spent at De Havilands repairing fighter planes. With an eye to an academic job after the war and while working as an aircraft fitter, he wrote his first article, ‘Unemployment in an Unplanned Economy’, Economic Journal, September 1946. However, he considered the starting salary of a lecturer inadequate to support his family and, reluctantly, took a job in market research at Unilever at twice the lecturer salary. There he ‘learnt a great deal about the washing habits of people all over the world’ and much about survey techniques.

Salvation came in 1950 with an advertisement by the Oxford Institute of Statistics for a research officer to organise the savings survey. It involved a pilot survey, the full survey with 2,500 respondents, tabulation, and the writing up of results as a series of articles consolidated in the book, British Incomes and Savings (Blackwell, Oxford, 1955). He wrote in the memoir, ‘Although I found the pressure of the work on the survey very exhausting, at last, at the age of 35, I was doing what I wanted to do, working on problems of economics with the help of statistics’. Then followed further applied articles including ‘The Life Cycle in Income, Saving and Asset Ownership’, Econometrica, April 1955 and the article with John Lansing in the American Economic Review, March 1959, comparing the distribution of wealth and income in Britain and the United States.

In 1959 he was invited by the National Council of Applied Research in Delhi to advise on a savings survey, and then, in collaboration with P N Dhar, he undertook a survey of small business written up in The Role of Small Enterprise in Indian Economic Development (Bombay, 1961). This work had immersed him in the labyrinth of Indian industry policy and ‘...marked the beginning of a recognition that development depends crucially on dynamic enterprise’, a theme he developed in later works culminating in the Entrepreneurial Factor in Economic Growth (Macmillan, 1992).

On his return from India in 1960 he was dissatisfied with the change of leadership at the Institute and sought a position in Australia, initially going to the University of Western Australia, and then to the George Gollin Chair in Economics at the University of Adelaide as head of a department ‘full of young talent’. He quickly got the feel of the Australian economy and published in the Economic Record, ‘Reforming the Australian Tax System’, (1962) and ‘Quick Indicators of Industrial Output’ (1963). His major interest had switched to the sources of growth, initially focusing on Australian manufacturing, for which there was an abundance of official data – a by-product of the protection policy. Publications from this work included ‘Technical Progress in Australian Manufacturing’, Economic Journal, December 1968.

This interest led him to leave Adelaide in 1968 to work in Geneva at UNCTAD on an analysis of trade in the manufactures of developing countries as a stimulus to growth. He found the UNCTAD operation mostly generated meetings, conferences and ‘requests for the secretariat to prepare yet another “study”’. So in 1971 he returned to academia to a chair of economics at the University of East Anglia where he worked on A Theory of Distribution, (Oxford U P, 1979) which, like his 1968 Oxford U P book, The Structure of Earnings, drew upon decades of work on those topics.

Because of his severe hearing loss, in 1978 he ‘retired’ to Oxfordshire and resumed an association with the Oxford Institute. He became interested in the Yugoslav socialist self-management economy, but found most of the material in English to be propaganda, so he learned Serbo-Croat to enable him to read original sources and visit Yugoslav economics institutes. The resulting Oxford U P books, Yugoslav Socialism: Theory and Practice (1984) and Yugoslavia in Crisis (1985) are remarkably perceptive and politically detached.

The bred-in-the-bone protestant ethic of his schooling led him to return to South Africa in 1991 hoping to contribute to the shaping of the new society. The lukewarm response discouraged him and in 1993, with his wife Maggie, he made a final move back to Adelaide where ‘fortune began to smile upon us’. He became a research associate of the National
Institute of Labour Studies and published in its Bulletin. But above all he enjoyed a final serene decade with his beloved Maggie. Her death in 2003, after a partnership of 63 years, was a harsh blow. He rallied, read widely in history and philosophy and entertained friends. He continued to live a dignified independent life and died, as he wished, at home in the company of his younger daughter, Jean. He is also survived by his daughter Mary. His son John predeceased him by a few months. Harold's family and friends will greatly miss his wisdom, humour and warm affection.

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