

*Jagdish Bhagwati*

*8 December 2004*

*Your Royal Highness and Chancellor,*

*It is my honour to present on behalf of Senate, Jagdish Bhagwati, for the award of the Doctor of Laws honoris causa.*

*Professor Jagdish Bhagwati is the world's most distinguished and respected student international economic affairs. His research and scholarship have made a unique contribution to the theory of commercial policy and international trade, such that distinguished colleagues have characterized the last forty years in this field as 'the Age of Bhagwati.' When he began his studies, most economists and governments believed that there were frequent occasions when trade should be controlled by protective tariffs. With intellectual ingenuity, rigour and great clarity of mind, Professor Bhagwati showed how this could almost always be avoided by alternative policies. He saw the light, just like Archimedes, when having a bath – though this was an Indian bath, out of a bucket. The insight that splashed from that bucket burst out of academic discussion to help shape the world. Professor Bhagwati has become the apostle of the power of freer and wider trade to increase wealth and reduce poverty across the world. He sees globalization as a deeply human process allowing more and more people to enjoy more secure and fulfilled lives. To its critics, who suggest that the spread of the market can increase exploitation and environmental costs, he has a simple reply. The greater prosperity globalization brings will better allow individuals and societies to make their own choices as to how they solve those problems.*

*Jagdish's sharp economist's mind is tempered by a wide experience of the world that adds wisdom to intellect. He was born into a Gujarati family of legal distinction. His brother became Chief Justice of the Indian Supreme Court, and he and Jagdish frequently share their concern for India's many complex problems. His wife, Padma Desai, is a distinguished student of Russia and other formerly planned economies. Jagdish was educated at Cambridge, MIT and Oxford, so we English may take a two-thirds share of pride in his accomplishments. Teaching first at the Indian Statistical Institute and the*

*Delhi School of Economics, he returned to MIT, before spending the greater part of his career at Columbia University, New York. He remains deeply conscious of his Indian heritage, especially its music. But his writing is rich with allusions to the literature of the West and the East. He enjoys life, exploring new cuisines, lighting up any room he enters with wit and learning. He loves to tease friends as much as he enjoys provoking governments. His energy is legendary, manifested in three hundred papers and fifty books, and exhibited in breathless lectures, when ideas tumble out. He makes learning and research inspiring for his students, and they include many of the most distinguished international economists. He always finds time for them, sharing their interests and supporting their careers. Jagdish receives the highest respect as a colleague, but also boundless affection as a friend. Lancaster University values its relationship with Jagdish through our own Emeritus Professor Balasubramanyam, who has brought this University a high reputation for research in international economics and business, and a capacity for friendship and commitment to colleagues and students that emulates his old friend and colleague.*

*While still an undergraduate at Cambridge, Professor Bhagwati wrote a pioneering paper that showed how increased trade might choke off economic if it led to adverse movements in the terms of trade. This set the classic pattern for a Bhagwati contribution: an original idea that forces colleagues to reconsider an aspect of trade theory so fundamentally that it establishes a new research agenda that eventually reshapes a whole dimension of theory with important policy implications. In this way he has created a new framework for assessing the welfare implications of trade theory, which all economists use to gauge policy decisions. He entirely revised economists' understanding of the relationship between international trade and development. This proved seminal in persuading developing countries to move away from protectionist policies and exploit the gains from trade, so effective a basis for rapid economic development in Asia, especially in India. As international economic growth accelerated, Professor Bhagwati examined the flows of capital and labour that paralleled trade growth. His cautious attitude towards financial capital flows has perhaps been justified by Asian financial instability. But he was the first to recognise the importance of the migration of skilled workers, where he proposed that they pay a 'Bhagwati tax' to the home countries that had educated them. Almost as a sideline, he provided a far more refined way of understanding the important trade in services across the world. In recent years he has provided a more rigorous appraisal*

*of the political economy of international trade negotiations, warning of the great dangers of bilateral and other preferential trade agreements for world trade, and proposing ways in which developed countries might expand their exports with benefits for all. To support and propagate his academic interests, Professor Bhagwati founded the Journal of International Economics, which has published most important developments in the field, and Economics and Politics, which encourages work in political economy.*

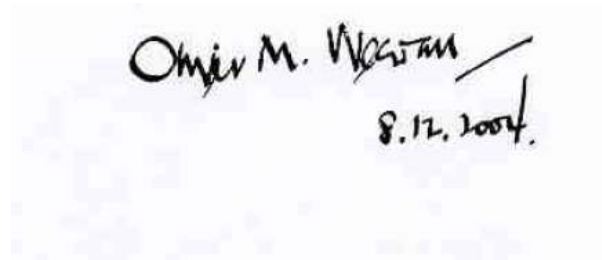
*These contributions have all been of direct relevance to the world of affairs. Jagdish Bhagwati has not remained protected in academic seclusion, allowing others to work out the implications of his work. He has followed his own advice to nations by throwing himself in the global market place that trades in ideas, policies and power. Few contemporary economists have written with greater elegance of persuasion. He uses this skill to export his ideas through the most influential international newspapers and magazines. For him, the academic freedom carries the responsibility to challenge power with intellect and ideas. Professors should be a public nuisance. His accessible books on protectionism and globalization have taught trade theory more effectively, to more people, than any economics programme. He has also carried heavy responsibilities as an adviser to governments and international institutions. He advised the Indian government on the economic reforms – based on his own insights – that transformed that country's prosperity. He was Economic Adviser to the General Agreement on Tariffs and Trade when it was the principal organization freeing world trade – and then became External Adviser to the World Trade Organisation that took these plans forward. He has been Special Adviser to the United Nations on Globalisation. And he is now helping meet one of the world's great challenges, supporting the Partnership for Africa's Development. He has also supported NGOs that monitor those with power, including Human Rights Watch in Asia and the establishment of the Corporate Social Responsibility standards. He thus advocates the strategic benefits of globalization, without ignoring the need to monitor and manage its impact.*

*Professor Bhagwati's academic and public work has brought him great honours. He is a Senior Fellow of the Council on Foreign Relations, a distinguished Fellow or Member of many American learned societies of honour, and has delivered many prestigious lectures. He has received prizes for distinction in scholarship and literature, honorary degrees from across the world and three festschrifts prepared in*

*his honour. Perhaps most impressively, none of these honours appear to have affected his sense of humour or vitality. This University is proud to honour further a man who has demonstrated such creativity and intellectual power, and applied its fruits with such energy. We hope he feels a special pleasure in coming to Lancashire, to the home of free trade in the nineteenth century. He comes to a University that maintains the country's cosmopolitan outlook, as it receives students and faculty from across the world, bringing to our campus a vigorous diversity of ideas, culture and values. In this way, we participate in the international economy of people, skills, ideas and exchanges that Jagdish Bhagwati has done so much to illuminate and advance.*

*Your Royal Highness and Chancellor,*

*It is my honour to present on behalf of Senate, Jagdish Bhagwati, for the award of the degree of Doctor of Laws honoris causa.*



Omkar M. Vaidyanathan  
8.12.2004.