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PART 2 COMMODITIES AND THE GLOBAL ECONOMY IN THE TWENTY-FIRST CENTURY

Part 1

Commodities, Trade and Governance: Reflections on Alfred Maizels' Life, Work and Legacy

PROOF

1
Commodities, Cooperation and World Economic Development: The Mission of Alfred Maizels (1917–2006)

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For trade and development economists, the name of Alfred Maizels is synonymous with the analysis of the primary commodity sector, particularly its trade prospects and its influence on economic development. Originally trained as a statistician, he made his reputation as a research economist at the National Institute for Economic and Social Research. Recruited by Raúl Prebisch to the Commodity Division of the new UN Conference on Trade and Development, he became the designer of its integrated programme for a comprehensive range of commodities, including a Common Fund. On retirement, he continued to produce valuable studies of the problem of commodity dependence from a number of academic bases, including University College, London; WIDER and Queen Elizabeth House, Oxford.

Early life and education

Alfred Maizels was born in 1917 to a Jewish family in Whitechapel, East London. His father was a tailor who had arrived from Poland in 1905, and his mother was a seamstress who helped with bookkeeping and administration. Alf went to a Church of England school – Raine's Foundation School – where he began to learn economics in the sixth form. After school, he entered the London School of Economics (LSE), where he studied statistics. In 1937, he graduated with a first class degree, and won the Farr Medal and Prize in statistics. The LSE immediately hired him as a research assistant.

At this time, the LSE was under the direction of Lionel Robbins, who, together with Friedrich Hayek, was in the process of making the Economics Department the outstanding centre of Austrian-style economic liberalism in Britain. However, its members were not all of one political persuasion, and a minority of committed socialist economists still remained on the departmental staff (Cockett 1994: 25–32). As a research assistant, Maizels had the opportunity of working for those on each side of the LSE's ideological divide. He began working for Hayek himself, but then was placed with the democratic socialist Evan Durbin – two economists at opposite ends of the individualism versus collectivism debate. This was one way to learn broad-mindedness in the face of divergent ideologies, but Maizels himself was more inclined to Durbin's political values than to those of Hayek.

At the Board of Trade

When Maizels graduated, war with Germany was looming. Once war had broken out, he went to Whitehall as one of the numerous academics who became temporary civil servants for the duration of the war. Alf was allocated to the Board of Trade. The Board's immediate objective was to reduce less essential civilian consumption and so release resources for the war effort. Alf's first academic publication was, in fact, an attempt to estimate aggregate national consumption, investment and expenditure, using methods that had been developed by Colin Clark (Maizels 1941). As civilian textile supplies were reduced, it became evident that a rationing scheme for clothes would be required. Ironically, the key idea for the scheme, the use of 'points', was a German invention. The German scheme had been described by Hans Singer (1941: 29–31), and this description was picked up Richard Kahn (Marcuzzo 1990). However, the detailed application of the points principle in the British context still had to be worked out, and Alf assisted Evan Durbin and Brian Reddaway in this task. The official war historians' verdict on the scheme was that 'to have launched such a new and complicated plan in so short a time ... was indeed a remarkable feat of administration' (Hancock and Gowing 1949: 333).

The conduct of the Second World War, as with the war of 1914–1918, raised expectations about the degree of international cooperation that could be achieved after an Allied victory. The organization 'Political and Economic Planning' circulated ideas about strengthening controls over the production and use of commodities through an International Raw Materials Union. Maynard Keynes wrote two papers proposing some form of commodity control. The socialist scientist J.D. Bernal spoke to the British Association for the Advancement of Science on the need for an International Resources Office that would collect statistics, undertake research and advise on the efficient conservation and utilization of natural resources. Efforts to control commodity trade and use were not seen as the makeshift arrangements dictated by war, but an experience to be deployed in peace time 'in the building up of an organization for the economical use of all natural resources for the benefit of mankind in general' (Crowther *et al*. 1942: 68–72). War put commodity control into the post-war intellectual ether.

After the war, Alf stayed on at the Board of Trade, moving from the Statistics Division to Commercial Relations and Exports. His made his debut on the international scene when he was seconded in 1950/51 to the United Nations Economic Commission for Europe, based in Geneva. At this time, the Research and Planning Division at the UN Economic Commission for Europe (UNECE), and its flagship publication *Economic Survey of Europe*, was enjoying the prestige and influence that it achieved under the directorship of Nicholas Kaldor, although Kaldor had by this time moved on to Cambridge and been succeeded by Hal B. Lary. On arrival in Geneva, Maizels took over from Walt W. Rostow a study of the European timber and wood products industry. With a clear empirical framework and diligent empirical research, its recommendations laid the basis of future cooperation among European timber producers.

Research at the National Institute

Once he returned from Geneva, he and his colleagues at the Board of Trade became interested in the question of how the industrialization of the developing countries was likely to affect post-war Britain's future trade. They were successful in attracting funding from the Leverhulme Foundation, which allowed Maizels to transfer to the National Institute for Economic and Social Research in 1955, as a Senior Research Officer. There, with a small team, he began a research project that gradually became increasingly ambitious. It examined how the spread of industrialization would affect, not only British trade, but also world trade flows more generally.

Alf had realized that the effect of overseas industrialization on Britain was simply one aspect of the changing economic relations between the industrial countries as a group and the countries whose economies were dominated by producing primary commodities. Eugene Staley had addressed this bigger question – foreshadowing the current debate about the effects of globalization – in an International Labour Organization (ILO) study at the end of the Second World War. He had concluded that:

> [E]conomic development of new areas brings both opportunities and dangers to existing industrial areas, but it is definitely possible, by policies of mutual cooperation and intelligent adaptation, to make the advantages far outweigh the disadvantages. (Staley 1945: 22)

Alf started his research by re-visiting Folke Hilgerdt's study of the effect of spreading industrialization on international trade in the period 1870–1930 (Hilgerdt 1945). Hilgerdt had also argued that the net effect had been positive during that earlier era, since the greater availability of manufactured goods had stimulated primary production for export, which then financed a larger volume of imports. However, since 1930, depression and war had intervened, raising doubts about whether this virtuous circle could be re-established.

In *Industrial Growth and World Trade* (1963), Maizels published a new set of statistics on the network of world trade for the period 1899–1959, and used regression methods to link changes in trade with economic growth. On the basis of these newly constructed statistics, it was concluded that, 'in many less developed countries – probably the majority – industrialization is the key to economic progress' (*ibid*: 8). It was shown further that economic growth is accompanied by change in the composition of industrial output, away from food and textiles and towards metals and engineering, and towards chemicals. A concluding chapter made a projection of trade patterns for 1970–1975, and derived policy implications regarding the need for industrial countries to reduce their barriers to trade, and to increase the volume and improve the terms on which capital flowed from industrial to developing countries.

Industrial Growth and World Trade was rapidly recognized as a classic. The solidity of its statistical base, its judicious application of the regression techniques of its day and its relevance to contemporary concerns about international trade policy soon put it at the forefront of debate and policy-making. It was reprinted in 1965, reprinted again in 1969 with some statistical revisions, and then appeared in an abridged student paperback edition in 1970. Its trade projections for 1970–1975 (which actually proved to be too low) were, in turn, the stimulus for further research work in the National Institute (Batchelor *et al*. 1980).

Alf Maizels himself moved closer to the topic of primary commodities in his next research project, funded by the Rockefeller Foundation. The statistical base of *Exports and Economic Growth of Developing Countries* (Maizels 1968a) was a detailed study of the market prospects for a number of individual primary commodities of special interest to developing countries in the Sterling Area. From this, the export prospects of individual countries were estimated. Assuming a binding balance of payments constraint, he and his associates then projected their rates of economic growth. The picture that emerged was a bleak one, including insufficient export diversification, stagnant export revenues, the ineffectiveness of economic planning and the limited potential of capital inflows to accelerate growth.

From this analysis, a number of policy recommendations were drawn. Improved competitiveness in individual commodities could not be a general solution to the growth problems of less developed countries, although it could benefit one country at the expense of another. This was the origin of the idea of a fallacy of composition in the expansion of commodity exports. Export diversification, by contrast, was a more hopeful strategy. Greater South–South commodity trade was also recommended, although not in those terms. Alf also returned to his old bugbear, the network of trade restrictions maintained by the industrial countries – that these had to be drastically relaxed was a recurring theme in all his books.

Alf Maizels at UNCTAD 1966–1980

The international trade scene at this time was clouded by the failure to bring into existence the planned International Trade Organization (ITO), once the

USA became embroiled in the Korean War. This left the 'interim' General Agreement on Tariffs and Trade (GATT) as the sole institutional machinery for the regulation of international trade. Throughout the 1950s, discussions and debates about international trade centred on the limited remit of the GATT, largely confined to organizing negotiations to liberalize trade in industrial products, and whether it was adequate for the task of promoting trade that would assist the development of developing countries. These concerns eventually led to the setting up of the UN Conference on Trade and Development (UNCTAD), with Raúl Prebisch as its first Secretary General.

In the run-up to the first UNCTAD Conference in 1964, Prebisch's right-hand man, Sidney Dell, was aware that little had been done in the way of advance planning for the new institution, and it was much less than had preceded the Bretton Woods conference of 1944. With money from the Carnegie Endowment, he organized, with Andrew Schonfield of Chatham House, a conference at Bellagio in September 1963 to consider policy proposals that could form the basis of UNCTAD's action programme. Alf was one of the fifteen economic experts who were invited to participate at Bellagio. He submitted a paper based on the research done for *Industrial Growth and World Trade*. The paper's main conclusion was the existence, on then current trends and unchanged policies, of a substantial balance of payments financing gap for the developing countries in the decade ahead (Maizels 1964: 23–50).

One of the tasks of the Bellagio meeting was to consider whether policy interventions in world commodity markets would be desirable and feasible. As Andrew Schonfield recognized, the meeting did not make much progress in finding a consensus on this issue.

> [O]ur attempt to reach a common position on the problem of world commodity prices proved to be much more disappointing [than on other problems]. We advanced some distance on the basis of elaborate preparatory work done by . . . Dr [Gerda] Blau and Mr Maizels. But, in the end, after many hours of argument, which was at times frankly fierce, we were still faced with deep divisions on issues of principle. The ultimate difference was . . . about the role of independent market forces in deciding the fate of the primary producing countries. (Schonfield 1964: 3)

Various considerations fuelled scepticism about commodity agreements that aimed to raise prices above those set by the market. Some experts held that price support by means of export restrictions would only stimulate higher production by other producers outside the scheme, or induce innovations in synthetic substitutes. Others who were not opposed to such schemes in principle noted that all commodity agreements required joint decisions and equal voting rights for producing and consuming countries, and that cooperation by consumer countries was highly unusual. Further, if consumers were willing to cooperate, it would be more efficient for them to raise an import levy, and return the proceeds to the producer countries.

Despite the scepticism of most of the economic experts at Bellagio, developing countries retained their enthusiasm for international commodity agreements. They were buoyed up by three perceptions, none of them wholly accurate. One was that several commodity regulation schemes had succeeded during the inter-war period – for tea, rubber and tin. This was true enough, but they had been maintained by collusion between the British, French and Belgian colonial powers, and by 1964 colonialism was in its dying throes. Another perception was that the terms negotiated for the abortive ITO had legitimized international commodity regulation. In fact, what it had done was to establish highly restrictive criteria for international commodity agreements – criteria so stringent that, had they been in existence then, they would have outlawed the tea, rubber and timber agreements of the inter-war years. The last flawed perception was that the International Coffee Agreement of 1963 served as a useful herald of the future, when it was no more than a short-lived US expedient to mollify hostile Latin American public opinion. The fact that coffee was the sole commodity to enter a regulation scheme in the twenty years after 1945 did not seem to register in the minds of enthusiasts for commodity regulation in developing countries. Thus, commodity regulation remained very much on the future agenda of UNCTAD after the Geneva Conference of 1964.

Once UNCTAD began recruiting a secretariat, Alf Maizels' track record in relevant research, his previous UN experience and his prominent participation in the Bellagio conference made him the obvious candidate to approach. David Pollock, Prebisch's personal assistant, was involved in his recruitment (Dosman 2008: 50), but Lal Jayawardena claims that he conveyed the formal offer of appointment to him at the National Institute of Economic and Social Research (NIESR) in 1965 (Jayawardena 1993: 10). Alf joined UNCTAD in 1966, and the position he accepted was that of deputy to Percy Judd, an Australian, who was the Director of the Commodities Division.

Percy Judd was due to retire shortly after Alf arrived in Geneva. Prebisch had to worry about the geographical balance in recruiting his successor, as complaints had surfaced that Africans were being overlooked in favour of other nationalities. Prebisch reacted to them by seeking out an African – Bernard Chidzero of Southern Rhodesia (now Zimbabwe) – to succeed Judd when the latter retired as head of the Commodities Division. When Chidzero candidly admitted to Prebisch that he knew little about commodities, Prebisch brushed his objection aside. With Maizels already installed as an exceptionally technically competent Deputy Director, Prebisch foresaw no problems for Chidzero as Director. What this change meant was that Alf rapidly became the effective, if not the titular, director of the Commodities Division.

Maizels' first task was to hire Jan Tinbergen as a consultant, to undertake a simulation of a buffer stock commodity scheme for cocoa. This was to facilitate negotiations on an international commodity agreement for cocoa. These negotiations collapsed, much to Prebisch's discomfort, in mid-1966.

Nevertheless, Prebisch, with the help of Alf and David Pollock, produced a new UNCTAD strategy for commodities in October 1966. It underpinned the negotiations at UNCTAD II, held in New Delhi in 1968 and set the policy trajectory of UNCTAD for the next fourteen years – indeed, until Maizels retired from the UN in 1980.

The secretariat's position paper on the development of international commodity policy envisaged a comprehensive programme of inter-linked measures to tackle the commodity problem. Alf's initial (1965) formulation of UNCTAD's commodities objective was that of 'achieving a reasonable degree of stability in the main commodity markets, and, where possible and appropriate, of achieving that stability at a reasonably remunerative price for the producing countries'. The developed countries had criticized the phrase 'reasonably remunerative prices' as impossible to define, unless it meant the long-run market equilibrium price. A key element of the revised strategy was to separate out commodity schemes designed merely to stabilize prices around market-determined trends from those aimed at raising prices. The device of the buffer stock would be reserved for the former objective, while other methods (such as production quotas) would be dedicated to the latter aim. In this revision, one may detect two influences. One is Tinbergen's theory of economic policy, assigning each policy objective an independent policy instrument. The other is the political calculation, of which Maizels persuaded Prebisch, that the stability objective would be the more attractive one for the purpose of gathering the support of consuming countries for commodity regulation.

Despite the collapse of the cocoa negotiations, the new strategy paper envisaged the number of international commodity agreements (ICAs) being significantly increased. It was considered that the establishment of a new source of finance, a Common Fund, was likely to make this increase easier, since one of the unresolved issues in the cocoa negotiations has been the source of funding for the acquisition of the initial buffer stock. This was to be one of the main uses of the proposed new Fund. It could also finance a range of other interventions in commodity production and trade, such as commodity marketing and export diversification schemes.

Alf's tactic of emphasizing the aim of moderating the fluctuations in commodity prices, rather than of raising them above market levels, presupposed that commodity price volatility was an undesirable phenomenon that the international community should attempt to cure. This assumption was challenged by the publication in 1966 of Alasdair MacBean's book *Export Instability and Economic Development*. MacBean argued that, contrary to the received view, developing countries were not more subject to commodity price volatility than other countries, and that while certain developing countries had suffered from extreme instability of export earnings, the source of instability was quantity variation or intermittent supply side problems. This finding implied that price stabilization might actually aggravate export earnings instability. This research was taken up by others sceptical about UNCTAD's commodities approach; for example, Harry G. Johnson (1967: 142–4). Johnson's view was that any developing countries that wanted to stabilize commodity prices could do so by appropriate domestic policies, and that international schemes for the purpose were costly as well as redundant.

In the face of this critical onslaught, Alf tried to reinforce the traditional view by launching a powerful counterblast aimed at undermining the intellectual credibility of MacBean's results, and his conclusion that volatility of commodity prices did not retard economic growth. He pursued two lines of criticism. One was that neither the cross-country comparative nor the times series statistical approach had been deployed convincingly, and the other was that, in places, MacBean had misinterpreted his own results. Alf concluded this demolition job:

> It is admittedly difficult to make any valid generalization from such limited data, but, so far as it goes, the data … would seem to support the view that short term variations in national income in many, probably the majority of developing countries are associated with variations in those countries' export proceeds. (Maizels 1968b: 577)

Against this background of academic controversy, UNCTAD's campaign for a more comprehensive approach to the commodity question ran into difficulties. The industrial countries were quite resistant to it, preferring to follow an unadorned commodity-by-commodity approach to the establishment of new ICAs. They harboured suspicions that UNCTAD would pursue a much more radical agenda, if empowered to do so by the creation of a Common Fund to finance a comprehensive and integrated set of measures. This fear of losing financial control hardened the obstructive attitudes of industrial countries.

Their insistence on following a commodity-by-commodity approach produced only two new international commodity agreements, one for sugar in 1968 that was notable mainly for its loopholes and one for cocoa (finally) in 1972 that was, in fact, never activated. By this time, Alf had given the UNCTAD Commodities Division a soberly realistic and practical programme of work. He saw that commodity agreements were mainly desirable and feasible for tropical foods and beverages; agricultural raw materials that faced competition from synthetics were best helped by expanded programmes of research and development; agricultural products that competed with temperate sources of production were best helped by the removal of developed country protection; and metal and minerals on the whole could look after themselves (Maizels 1973: 42–53).

Shortly after Alf was transferred to the post of Adviser on Economic Policy and Research, the international scenery shifted dramatically. The international oil price crisis of 1973 seemed to promise a radical redistribution of global economic power. On 1 May 1974, the General Assembly voted unanimously in favour of the establishment of a New International Economic Order (NIEO). Gamini Corea, who became the third Secretary General of UNCTAD in April 1974, saw the opportunity to make UNCTAD the central forum for negotiating the NIEO, with the Integrated Programme on Commodities and the Common Fund proposal becoming the centrepiece of that negotiation.

Corea therefore transferred Maizels again, this time into his own Office, with the title of Director of the Economic Policy Evaluation and Coordination Unit. This move seemed to recognize that commodities policy had become *the* UNCTAD policy. Maizels was thus drawn into the NIEO project, but had an awkward, even contradictory role to try to discharge. From within the Secretary General's Office, he became the Secretary General's speech writer and the principal editor or draughtsman of all major UNCTAD documents. He was therefore involved in the design and defence of the negotiating positions that UNCTAD adopted, using the best arguments and evidence at his command. Yet, though his appointment might formally be a technical one, he was operating in an essentially political role.

In order to understand this situation, two peculiarities of it have to be grasped. The first is that, in the UN system, there is no intervening political executive that stands between the General Assembly and the Secretariat. The Secretary General of UNCTAD and, indeed, the Secretary General of the UN, are international public servants, not politicians, but their only source of political direction is the resolutions of the General Assembly of all the 192 UN member countries. Inevitably, they end up acting as if they were politicians. The second peculiarity attaches to UNCTAD alone: its secretariat regards itself as 'impartial, but not neutral'. It is impartial in the sense that that it does not discriminate between the different countries that are members of the UN, but it is not neutral because it has a mandate to promote development, which some member countries need to a greater extent than others. Given these two peculiarities, the line separating technical and political roles is much harder to draw than it is in the British civil service, in which Alf had served previously.

This contradiction in Alf's position surfaced over the question of the cost of the Common Fund. The basic principle of having a Common Fund had finally been agreed at UNCTAD IV in Nairobi in 1976, where much of the political driving force of the negotiation came from Dragoslav Avramovic, who had been loaned to UNCTAD by the World Bank. Now the details of implementing the Common Fund remained to be negotiated, with a deadline of two years in which to do so.

Corea soon determined to take a political approach to further negotiation, rather than a research-based approach of examining alternative options and their cost. This meant defending the original price tag (related to ten core commodities) of US$6 billion that the UNCTAD Secretariat had estimated in

November 1976. The developed countries demanded to know how this estimate had been made, which was not an unreasonable request, given that they were going to have to find the money to pay the bill. Their demand was met with numbers that always added up to US$6 billion. This brought down on UNCTAD the professional condemnation of Alf's old nemesis, Harry Johnson (1976). The official UNCTAD position was defended against the alternative of an export earnings compensation scheme by John Cuddy, but the price tag stayed at US$6 billion. When internal estimates were made for the buffer stock cost of individual commodities, they were sent back to be worked on further until they added up to the magic number. This troubled some of the UNCTAD junior research staff (for example, Brown 1980: 109–19, 163–5).

There were moments in the late 1970s when it seemed that some sort of bargain might be attainable between the industrial and developing countries around the new financing for the reduction of commodity price volatility by means of buffer stocks plus a new facility, a second window of the Common Fund, for financing commodity diversification. In the end, however, this package of policies was insufficiently attractive to those representing the consumers in industrial countries. At the same time, the developing countries were ambivalent about the original Common Fund proposals and too divided among themselves to be able to apply serious economic pressure on the West. The Common Fund that finally emerged was the proverbial mouse that emerged from the mountains in labour (Toye and Toye 2004: 242–53).

Alf acknowledged what had happened. He did regard it as a landmark that UNCTAD had succeeded in establishing the first international non-aid financial institution that was not dominated by the developed countries. At the same time, he acknowledged as a fact the emasculation of the original Group of 77 proposals:

> However, it now seems unlikely that the Common Fund will in fact be able to play the dynamic and catalyst role in strengthening world commodity markets that was originally envisaged, not only because it lacks its own substantial capital, but also because the developed market-economies have a 'blocking vote' which they can exercise in discussions with 'significant financial implications' and in 'other important' decisions. (Maizels 1984c: 21)

Subsequent academic contributions

At this point, Alf took a well-merited retirement from the UN and returned to London and fresh academic endeavours. At first, he worked at University College, London on two research projects that were not directly connected to commodity policy. With Machiko Nissanke as his assistant, he produced an excellent paper for *World Development* (Maizels 1984b), which used quantitative methods to link the geographical distribution of bilateral aid funds to specific kinds of donor interest – geopolitical strategy (USA), maintenance of colonial links (France) and trade (UK). Alf followed that, in 1986, with a second pioneering article with Machiko Nissanke, using cross-section data, exploring a variety of determinants of military expenditures in developing countries. Both of these were seminal papers that developed a large follow-up literature by others.

University life also gave Alf the opportunity to think through the reasons for the failure of the North–South dialogue of the 1970s. In the first place, he saw a clash of ideologies. The arguments of the North were couched in terms of neo-classical economics. Alf regarded traditional neo-classical economics as a self-contained logical system, whose assumptions were far removed from reality. Its most important departure from the real world was, for him, its assumption of atomistic competition between producers and between consumers, when the reality was usually the dominance of oligopoly and oligopsony. In that context, prices were determined not by free market forces, but by relative bargaining power. He therefore argued for a re-specification of the institutional framework of economic theory, to include explicit recognition of the role of multi-national corporations and governments in the setting of commodity prices. Here, he came close to a dependency style of analysis (1984a).

In the Common Fund negotiations, the constant refrain of the Western diplomats was that interference with free market forces would result in a mis-allocation of resources. Given his views on neo-classical economics, he did not find this a credible proposition in its own right. What especially annoyed him, however, was that this refrain emanated from countries that were, at the same time, prepared to use different and contradictory arguments to justify their domestic agricultural price support schemes! As a person of intellectual integrity, he found the blatantly two-faced nature of Western economic diplomacy reprehensible.

In the second place, he saw a clash of interests between North and South. And yet he remained ambivalent about how fundamental the clash of interests was. At some times, he acknowledged that there was a fundamental conflict on the issue of control of the world economic system, arguing that the developed countries would oppose any reform of global institutions that would shift the balance of control in favour of the developing countries. Potentially bridgeable conflicts also existed, on the reduction of trade protectionism and the size of financial transfers (Maizels 1982: 183–4). At other times, he spoke as if he thought that the Western countries were simply mistaken about where their true interests lay, and that more and better arguments, if put to them, might succeed in recruiting them into 'a genuine global strategy for development' (Maizels 1984c: 23). He would probably have preferred the latter to be true. In any case, the direction of his academic effort after the two seminal papers on the geography of aid and developing countries' military spending seems to reveal a preference for that interpretation.

In 1986, Lal Jayawardena, now Director of UN WIDER in Helsinki, invited Alf to join the Institute as a Senior Fellow. Here, he returned to the subject of international commodity policy, to re-energize the debate and re-formulate the agenda. The result was *Commodities in Crisis* (Maizels 1992). This book combined three elements. The first was a detailed explanation of the ways in which the behaviour of commodity markets in the 1980s had damaged the development prospects of the less developed countries. The second was his account of what had been attempted in the NIEO negotiation and the obstacles that had prevented success – the turn to anti-inflation policies in the West and the adoption of modes of aid that were conditional on the adoption of neo-liberal policies. The third examined some of the longer-term problems of the commodities sector – the control of trade by large transnational companies, the challenge of synthetics, industrial country trade barriers (still there!) and the obstacles to South–South trade.

At the end of the book, suggestions are made for a minimum bargain that might still be negotiated on commodities issues. Alf reiterated these suggestions in a paper that he presented at UNCTAD X in Bangkok in 2001 (Maizels 2003). Unfortunately, nothing much in recent years has been conducive to reviving international cooperation on commodities, envisaged in terms of negotiating new ICAs. The most hopeful signs have been the growth of South–South trade and the World Trade Organization's efforts to make the reduction of agricultural protection a subject for trade negotiations. That might still happen, and it would be the fulfilment of one of Alf Maizels's most long-standing dreams for a better world.

From 1991 to 2004, Alf was also a Senior Research Associate of Queen Elizabeth House, Oxford. Working as a member of the Finance and Trade Centre, he was held in great esteem and affection at Queen Elizabeth House. Here, he wrote his final book, with Robert Bacon and George Mavrotas. It was an investigation into the potential of strategies to manage the excess supply of tropical beverage crops (Maizels 1997). For the last few years of his life, he continued his research at the School of Oriental and African Studies, University of London, where the title of Honorary Professorial Research Fellow was conferred on him in 2003.

Conclusion

Alfred Maizels was one of several economic statisticians who made important contributions to development studies, and who played important parts on the international public stage in the third quarter of the twentieth century. Others were Colin Clark and Dudley Seers, and one might also include Hans Singer, who completed his doctorate under Clark's supervision. I do not suggest that they all viewed economic statistics in the same way. At times Clark, who was originally trained as a natural scientist, seemed to hold a pseudo-scientific belief in the mystique of numbers, while Seers and

Singer were as concerned about what numbers do not tell one as with what they do. Nevertheless, this group had important similarities. One was their indifference – if not outright aversion – to neo-classical economic theory, based on its perceived divorce from economic reality. The same indifference applied to Marxism, and for the same reason. Their open-minded, common-sensical and strongly empirical style of economics was highly appreciated in Britain at the time.

If there was a value that they all held, it was something akin to equitable distribution, or fair shares. I think that they would all have assented to Richard Tawney's argument that extreme inequalities of wealth and income serve no economic function. On the international scene, this argument was transposed from people to countries, and a better world was envisaged as one where inter-country differentials were diminished. They were thus technically and temperamentally well suited for service in national and international agencies committed to pursuing this reforming goal.

Alf Maizels saw economic dependence on primary commodities as the reason why poor countries stayed poor. He saw commodity price stabilization, export diversification and the removal of restrictions on agricultural trade as a package of policy measures that would level the playing field and accelerate the development of the less developed. Alas, his vision of how developing countries could escape from commodity dependence could not be made to square with the intractable realities of the high-level Western diplomacy of his day. Yet, he never became embittered or cynical; neither did he try to put behind him the bruising experience of public engagement on these issues. He remained faithful to his vision of world economic development by policies of mutual cooperation, and ever articulate and reasonable in his defence of it. Manmohan Singh, Prime Minister of India, himself a renowned trade economist, paid Alf Maizels a fitting final tribute when he referred to him as 'a brilliant economist who devoted his life to promoting the development of poor countries'.

It is possible that international public opinion might once again come round to the view that some form of commodity control is desirable. The 2007 financial and economic crisis of capitalism has now borne out my earlier analysis of the current global economic predicament, so I am emboldened to reprint it here.

> While we have observed a movement of informed opinion towards the policies of economic liberalism, simultaneously we have witnessed a surprisingly frank acknowledgement in official quarters of the key unsolved problems of the capitalist economic order. These are its proneness to financial crisis, its failure to find remedies for the economic problems of peasant production and its recurring tendency to neglect the problem of poverty. In Hegelian terms, it is as if world society had to wait for the inadequate policies of state socialism to be finally discredited before it could permit

> itself to rediscover the enduring problems of capitalism that state socialism claimed to be capable of solving, but could not. All of these problems especially affect developing countries, and their resolution will not come about naturally, but only with selective and intelligent government action. As experience shows us the limits of independent national action in the economic field, so the problem of constructing an improved global economic order impresses itself more powerfully. (Toye 2003: 11–12)

The name of Maizels might yet, as that of Keynes, be spoken again in the world's corridors of power.

Note

I am grateful to Paul Rayment, who kindly shared with me his own appreciation of Alf Maizels.

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