

**Summary of Oral History Transcript**

Cairncross, Sir Alexander K.

Interview conducted by Charles Ziegler, on 1985-01-10

In 1954, A.K. Cairncross [then distinguished economist on the faculty of the University of Glasgow] was approached by Richard Demuth [then Director, Technical Assistance and Liaison] to undertake a study on whether the Bank should have an Institute to fill both research and training needs. After gathering various views, Cairncross presented his conclusions in a report recommending that an Economic Development Institute (EDI) should be started in the Bank. At that time, the Bank had come to realize that impediments to development in certain countries were due in large part to the lack of adequate training in managing projects. The Bank's wealth of experience underscored the importance of its educational role in training key people in the governments of less developed countries through a body attached to the Bank. Cairncross was subsequently offered the job of first Director of EDI for a limited time beginning in July 1955, after the University of Glasgow finally agreed to release him for eighteen months.

Cairncross addresses the process of setting up EDI with initially only three staff on the faculty. The many problems faced with selecting a homogenous group of participants with careful consideration of their various ranks and backgrounds, not foreseeing the many difficulties encountered pertaining to the logistics of housing the participants, establishing contact with the countries, arranging finance, and developing a curriculum. Cairncross talks in detail of his objectives for the Institute, the expectations of the participants, and the organized field trips as being insightful in developing a curriculum more concerned with the pooling of experience rather than formal instruction.

Cairncross elaborates on the relationship between EDI and the Bank; aiming to maintain a degree of independence while at the same time drawing on the Bank's economic staff. Notable amongst the supporters and speakers were President Black and [Robert] Garner [then vice president]. Cairncross opines on the Bank's view on development and macro-economics in the 1950's, and EDI's standing within the Bank at that time as compared to now [1985]. The initially mixed and steadily growing enthusiasm of most governments towards EDI as a preponderant number of candidates returned to occupy responsible posts in the respective countries. In that context, Cairncross elaborates on the many individuals who put to good use the training received at EDI.

Cairncross discusses the selection criteria and process involved in admitting candidates to the EDI courses, difficulties in finding appropriate candidates from the countries most needing help, and the conscious and careful consideration of ensuring geographical diversity.

Cairncross back tracks and addresses in detail the process of setting up EDI, including a breakdown of the courses within the curriculum dealing with its development. He talks of his preference in founding an institute rather than sending people to an academic body, opines on the penalties attached to the enlargement of the Institute, its effect over time and its measured success. Cairncross gives a broad overview of the memorable personalities encountered who came from outside as guest speakers and the many striking personalities from within the Bank. To conclude, within the context of his contribution to the Institute, he talks of the advantages of publication, and opines on the theoretical and practical approaches to economic development.

In a Supplemental Note: "The Economic Development Institute 1955-6", Cairncross writes of Dick Demuth approaching him in 1954 to review a proposal--originally put forth by Paul Rosenstein-Rodan--for the Bank to provide training to senior administrators from less developed

countries, with further questions of how such a proposal would be viewed in the countries concerned. His research in first discussing it with Bank staff then seeking academic opinion. How the idea of a staff college offering courses lasting six months with a maximum of 25 participants aiming at turning out a "corps d'elite" in the world of economic development was eventually approved by the Bank. The Ford and Rockefeller Foundations meeting a substantial part of the cost, the Bank prevailing upon Cairncross to become the first director of the newly christened Economic Development Institute (EDI) in July '55 with a schedule to begin operations in January '56, and the compromise reached with the University of Glasgow to release him for eighteen months.

Cairncross traces the process of setting up EDI; hiring Bank staff, the difficulties encountered in finding appropriate housing for the participants, striving to select a homogenous group of participants, developing a suitable curriculum, tapping into the Bank's accumulated case studies, choosing guest speakers, and organizing field trips designed to optimize the pooling of experience and their effect. The purpose of EDI and lessons learnt. The benefits to the participants of EDI's contact with the Bank, EDI serving to establish a link between the Bank and the academic community in which theory and practice of economic development were brought closer together. The endeavors to publish teaching material as well as establish an annual lecture series on economic development. The Institute flourishing as courses multiplied and were given in more languages and in more countries.

Cairncross concludes with a personal reflection on the founding of EDI: "That process, moreover, was essentially educational: at the root of the problem of development was the need to organize the transfer of knowledge and experience."