

SIR ALEXANDER KIRKLAND CAIRNCROSS  
KCMG, MA(Glas), PHD(Cantab), HonMAAS, HonLLD(MTAllison, Glas, Exeter), HonDLitt(Reading, H-W), HonDSc(Wales, QUB),  
DUniv(Stirling), FBA

Born in Lesmahagow on 11 February 1911, the son of an ironmonger, Alec Cairncross was one of a talented family of eight. He attended the village school before transferring to Hamilton Academy, where he sat the Glasgow University bursary exam twice, coming nineteenth and second in successive years. After flirting with the idea of becoming a chartered accountant by apprenticeship, he discovered that the apprenticeship period could be shortened by taking a university degree and this, combined with the bursaries, convinced him that University was the right choice. Once in University, Alec says in his autobiography, "by 1931 the world seemed to me to be so constructed that economics was the only subject worth serious study". That interest was sparked by his observation of the transition of his part of rural Lanarkshire, combining coal mining with farming, from a period of modest prosperity to one of hardship as the years of the Great Depression took their effect, there and elsewhere.

Although not covered by the professorial lectures of the day, the macroeconomic work of John Maynard Keynes and Dennis Robertson in Cambridge captured his early imagination, and led to a period of self-instruction on the emerging thinking on employment, money and price behaviour, as well as international trade - the key policy issues at the heart of the world economic problems which were to provide a focus for much of his work. He won a scholarship to Trinity College, Cambridge, where Robertson was the Economics Fellow. Alec was at once at the centre of the revolution in economic thinking and teaching and many of his teachers and fellow students made lasting impressions on his thinking. His work for his PhD on British home and foreign investment suggested that his *forte* was applied economics rather than high theory; and although his dissertation satisfied the examiners, it did not satisfy Alec, who resolved to revise it extensively before publication. That revision was delayed - his book on *Home and Foreign Investment 1870-1913* was published in 1953.

Alec returned to Glasgow as a lecturer in 1935. Work began on a modern economics textbook, *Introduction to Economics*, stimulated by his courses to accountants, and destined to become a best seller running to six editions eventually. The outbreak of the Second World War saw him embark on a career in government service that was to occupy him for two of the next three decades. War conditions brought professional economists into central government machinery for the first time and for Alec this meant jobs in a variety of departments, notably Aircraft Production. Alec's ability to organise and interpret statistical information (aided by the supervision of his Cambridge work by Colin Clark), his perception of the pitfalls of planning as well its benefits, and his innate gift of Scottish common sense, were much in demand.

Just before the war began Alec had met Mary at an International Students Service conference and by 1943 they were married - the beginning of a marvellous partnership, blessed with a close family of five children, that was to carry them through the next fifty-five years. With peace, an invitation to re-enter government service as Economic Adviser to the Board of Trade was gladly accepted. His wartime work, the completion of his textbook in 1944 and his developed understanding of the problems of industrial organisation had equipped him as an industrial economist. Although micro-economic issues occupied most of his time, problems of productivity and competitiveness, of imports, exports and the balance of trade inevitably arose, drawing him towards a wider economic perspective.

Alec returned to Glasgow in 1951 as the first Professor of Applied Economics, charged with establishing an innovative research department with a focus on applied economics but with an important admixture of social analysis - the first department of its kind in Britain. This allowed him to return to academic writing and the publication of the main findings of his PhD research in Cambridge. With his colleagues, he produced a research-based book on the Scottish Economy and he instituted new lines of research into profits, the labour market, the shipbuilding industry and the problems of the regional economy and policy. With others, he helped to revive the Scottish Economic Society (of which he was later President - as he was also of the Royal Economic Society) and to found and edit *The Scottish Journal of Political Economy*.

Significantly, he also found time in Glasgow to establish a programme of management education, starting with economics but broadening into industrial relations and more general problems of practical management, finding a ready audience in the industrial city that Glasgow still was at the time. Management was an interest sustained through his life, re-emerging during his period in Oxford, and providing one of the keys to understanding Alec's contribution. He sought practical solutions to real problems, whether at governmental level, in industry or in the international sphere where his spell at the OEEC in Paris, his two years setting up the Economic Development Institute in Washington, and his many overseas assignments and travels all contributed to his breadth of understanding. What typified all these endeavours was his optimism that we could manage our economic affairs better through a wider appreciation and application of economic analysis backed up by sensible handling of good statistical information. Yet many of his efforts to achieve this left him with a sense of impatience. Alec learned that it was not enough to have a rational argument: the arguments also had to be sold, an art in which he excelled. He was formidable in debate - the quick mind, the ability to order his argument and retrieve the facts to support his conclusions. But his writing too was persuasive: he acknowledged a particular debt to his English teachers at school who instilled in him a regard for style and clarity of expression, of which he himself was a fine exemplar.

These qualities were much needed in his period at the Treasury, as Economic Adviser to the Government, from 1961 to 1969. This was a critical eight years, first with the Conservative Government, dealing with the major policy issues of the day – balance of payments, unemployment, sterling and incomes policy - then with the Labour Government of Harold Wilson, where the same problems persisted in increasingly virulent form. They culminated in the sterling devaluation of 1967 - at considerable social cost, due to the unwillingness of the politicians to recognise its inevitability, despite Alec's advice to move quickly. This was the period in his life when Alec could fully capitalise on the vast range of experience he had built up, including his influential membership of the Radcliffe Committee on the Working of the Monetary System at the end of the fifties. Despite frustrations generated by the politicians, it was a satisfying time. Many longer-term improvements were made at Alec's hand: a greater receptivity to economic analysis in the Treasury, the growth of a professional corps of economists in Whitehall, the bringing together of economic theorists and policy makers, more interaction between university economists and those in government departments.

From Whitehall, Alec moved in 1969 to Oxford as Master of St Peter's College, where the partnership of Mary and Alec was allowed to blossom. The College provided the social context in which they could work together - a double-act that was much appreciated. But in Glasgow that double-act was already much loved, for Alec had been elected Chancellor of the University in 1972, and retired from this office only in 1996.

On his retirement from the Mastership of St Peter's in 1978, Alec's energies needed a new outlet, and by the early 1980s he had embarked on a new career as an author of modern economic histories. *Sterling in Decline* (1983), co-authored with Barry Eichengreen, was the first of a steady flow of publications, coming at the rate of about one a year, for the next fifteen years: his autobiography, *Living with the Century* (1999), a fascinating story full of insights and personal recollections of people and events, was published shortly after his death. His remarkable output over this period dealt predominantly with subjects where he could draw on his personal experience, including his Berlin work (1945-46) which was the basis for *The Price of War* (1986) and *A Country to Play With* (1987); *Planning in Wartime* (1991) and *Managing the British Economy in the 1960s* (1996). This outstanding achievement, in what were far from declining years, leaves a legacy of first-hand history of key phases and personalities in recent British history, spiced with the critical, analytical commentary so typical of Alec.

Sir Alec accumulated many honours during his life, including Fellowship of the British Academy and Honorary Fellowship of the Royal Society of Edinburgh, reflecting the distinction he achieved in his roles as academic, adviser to governments, administrator and scholar of recent economic history. His life was full of variety, his mind was ever-inquiring and his willingness to take on new challenges was immense. Sir Alec died on 21 October 1998. His wide circle of friends will remember Alec, and his beloved Mary, for the stimulation they brought to so many, for the humour that was never far away and for the personal charm and strong sense of Scottish values that were so characteristic of the man.

LAURIE HUNTER