

A Question of Perspective¹

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This short informal piece on perspectives and some related implications was intended for a specific audience. However, I subsequently convinced myself that it may serve as a reminder to a broader audience. So here it is!

People are at the centre of, and central to, what we are doing. People mean those whose socio-economic life forms the subject of our research and advice; people mean the policy makers and collaborators we work with; and people mean us research development economists (academic or otherwise). All these people are human beings² with distinguishable preferences, including aspirations, and experiences. Some of these are shared. Others may not always be consonant with one another across or within groups. The full realisation of these facts adds an element to our overall approach. For lack of a better term, I call this additional element the ‘people perspective’ (I readily admit that it is a rather lame label – any suggestions?). It has a number of related implications.

With a ‘people perspective’, we will be more aware of, and can consciously resist, two pitfalls – treating the poor as ‘data points’ or as ‘helpless’. Though they condition our analytical approaches, these views are usually neither articulated nor consciously held.

And, both can have the same consequence – the poor do not figure as purposeful economic agents. Nevertheless, the attributes of the poor are vital elements of the potential for and the constraints to change. Indeed, the poor and we researchers share a **common life** albeit with differentiated stations and corresponding outcomes. Thus, habitually thinking about the poor as people in the conduct of research and provision of policy advice can serve us as an effective restraining device.

It is easier to appreciate the complexity of socio-economic circumstances with a ‘people perspective’. As such it helps highlight the limited nature and extent of our knowledge. The perspective can thus help us avoid the real danger of behaving as if we know everything.³

¹ These notes are a revised version of a talk at a concurrent meeting during the IFPRI-University of Ghana Conference, “Understanding Economic Transformation in Sub-Saharan Africa,” Accra, Ghana, May 10-11, 2011.

² It may be hard to believe, but we too are human.

³ Hayek said: “To act on the belief that we possess the knowledge and the power which enable us to shape the process of society entirely to our liking, knowledge which in fact we do not possess, is likely to make us do much

People populate a historically fashioned space, hence history matters. Better understanding and greater efficacy therefore demand that history should always be, as appropriate, in the background and/or in the foreground of our work.

There is much unknown and uncertain about the protracted process of economic development – an area of our expertise. At the same time, the potential impact of our work can be considerable – an impact that can occur despite the quality or correctness of that work.⁴ It follows that avoiding ‘public bads’ is as valuable as creating ‘public goods’. Hence:

- a greater sense of responsibility and an extra measure of humility on our part are virtuous;
- regular, genuine, and critical introspection is indispensable (the universally acclaimed physicist Richard Feynman once said “Science is the belief in the ignorance of experts.”⁵);
- earnest recognition of and closer collaboration with historians, sociologists, and psychologists are necessary; and
- better appreciation for the fact that what we want may not always coincide with what matters to those we work with/for is essential (remember, a one word summary of economics is ‘incentives’⁶).

I hope these considerations stimulate some dialogue and subsequently lead to... . Enough preaching!

harm” in Friedrich A. von Hayek (1974). “The Pretence of Knowledge.” Prize Lecture, The Bank of Sweden Prize in Economic Sciences in Memory of Alfred Nobel.

⁴ Recall the famous words of John Maynard Keynes: “The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influence, are usually the slaves of some defunct economist.” In *The General Theory of Employment, Interest and Money* [1936, 1973], p. 383.

⁵ Richard Feynman “What is Science?” Presented at the fifteenth annual meeting of the National Science Teachers Association, 1966 in New York City, and reprinted from *The Physics Teacher* Vol. 7, issue 6, 1969, pp. 313-320.

⁶ A summary attributed to James Tobin by Robert Aumann in Robert J. Aumann (December 8, 2005). “War and Peace,” Prize Lecture, Bank of Sweden Prize in Economic Sciences in Memory of Alfred Nobel, Royal Swedish Academy of Sciences, Stockholm.