



IN MEMORIAM, TONY THIRLWALL

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John McCombie

The economist Tony Thirlwall, who has died aged 82, was, in his own words, an “unreconstructed Keynesian”. He saw this not as a pejorative title, but more as an accolade, considering that many of the insights of John Maynard Keynes, and in particular the importance of demand, are still relevant for understanding today’s economy.

Tony is perhaps best known for his original way of thinking about economic growth. This challenged the supply-side orthodoxy, which often assumes a closed economy in which the growth of demand is missing and the structure of production does not matter. Thirlwall took the Keynesian approach that it is demand that drives growth, but, importantly, the balance of payments can be a major constraint on demand.

In 1979 he established an economic relationship that has come to be known as Thirlwall’s Law. This was elaborated in his 1994 book, *Economic Growth and the Balance-of-Payments Constraint*, which I co-authored. The simplest form of the law is that the long-run growth of a country can be approximated by the ratio of its growth of exports to its income elasticity of demand for imports.

Any attempt by a country to grow faster than the ratio given by the law is likely to be thwarted by an unsustainable growth in the current account deficit.

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It is testament to the importance of the law that research concerning it is still continuing, with a recent symposium in 2019. The law has also proved influential in policy institutions such as the UN's Economic Commission for Latin America and the Caribbean, and the United Nations Conference on Trade and Development.

A major influence on Tony was the distinguished Cambridge economist Nicholas Kaldor. Tony had the highest regard for his work and extended Kaldor's approach, especially, to economic growth. He wrote his intellectual biography (1987) and was also his literary executor after Kaldor's death in 1986.

Tony started as a regional and labour economist, but his major research interest lay in development economics. He wrote many books and papers in this field, including on such topics as inflation in developing countries; financing economic development; and the effect of trade liberalisation on such countries.

His bestselling textbook, *Growth and Development, With Special Reference to Developing Countries*, was first published in 1971 and has run to 10 editions (with a later change in title to *Economics of Development: Theory and Evidence*). The last edition was co-authored with his wife and research collaborator, Penélope Pacheco-López, whom he married in 2011.

Tony's expertise in this subject led to many invitations over the years to universities in the developing world, and also to give policy advice to a number of international organisations.

Born in Cockermouth, Cumberland (now Cumbria), Tony was the son of Ivy (nee Ticehurst) and Isaac Thirlwall, a railway clerk. At Harrow Weald County grammar school, he was an accomplished athlete. After graduating with a BA in economics from Leeds University in 1962, followed by an MA at Clark University in Massachusetts in 1963, he started his PhD at Cambridge University, where he ran in the Oxford-Cambridge cross country race the same year. He took up running again in his early 40s and represented Britain in the 400 and 800 metres in the European Veterans championships in Strasbourg in 1982.

He returned to Leeds in 1964 to take up an assistant lecturer post, and was awarded his PhD there in 1967, a year after moving to Kent University, where he was made professor of applied economics by the age of 35. He was later director of graduate studies in economics at Kent for many years, with a master's (and PhD) programme in development economics.

To celebrate the life and work of Keynes, Tony organised 11 biennial Keynes seminars between 1973 and 1991. These attracted large academic audiences, including some of

Keynes's contemporaries, such as Roy Harrod, Richard Khan, Kaldor, and Joan Robinson.

Tony's research output was prolific: 18 books, several of which were translated into numerous languages, editor of 12 volumes and author of more than 200 refereed journal articles.

He retired from Kent in 2004, when he was made emeritus professor, and remained active in his research until just before his death.

His first marriage, to Gianna Paolletti in 1966, ended in divorce in 1986. They had three children, Lawrence, Alexandra and Adrian. Adrian died shortly after his birth.

Tony is survived by Penélope and their son, Oliver, by Lawrence and Alexandra, and by four grandchildren, Ben, Sam, Lorenzo and Sienna.

Anthony Philip Thirlwall, economist, born 21 April 1941; died 8 November 2023. ◀