

## **Welcoming Remarks for the Fifth Wendt Distinguished Lecture**

**Nicholas Eberstadt**

**May 9, 2006**

**Ladies and gentlemen, good afternoon and welcome. I'm Nicholas Eberstadt, the Henry Wendt Scholar in Political Economy here at the American Enterprise Institute.**

**On a beautiful spring day, rational man must expect unusually high returns to justify allocation of time indoors. You discerning investors, I think, are about to be rewarded handsomely—for it is my pleasure to introduce Dwight H. Perkins, Harold Hitchings Burbank Professor of Political Economy at Harvard University, as the fifth awardee in AEI's Wendt Distinguished Lecture series.**

**AEI's Wendt Program in Global Political Economy was established through the generosity of the SmithKline Beecham pharmaceuticals company and Mr. Henry Wendt, himself CEO emeritus of SmithKline Beecham (now Glaxo SmithKline).**

**After an eminent first career, Mr. Wendt has gone on (by my count) to a second, third, fourth and fifth career—as venture capitalist, philanthropist, sportsman: and by no means least, as producer of fine wines. As fate would have it for our lucky audience, Henry is co-proprietor, with his wife Holly, of the Quivira Vineyards in Northern California: and at the reception immediately following this heady lecture you will be able to assay responsibly the invigorating properties of the Quivira Cabernet Sauvignon and Sauvignon Blanc.**

**The Wendt Program at AEI is devoted to the study of globalization and its consequences. It is particularly concerned with the global extension of liberal political institutions--democracy, civil and commercial freedom, open markets, and the rule of law--and with the maintenance of the arrangements necessary for those institutions to flourish.**

**One very special component of this program is the Wendt Distinguished Lecture. The lectureship is awarded as an**

honor—conferred on a scholar or thinker who has made major contributions to our understanding of some aspect of what we might term the modern phenomenon of globalization—but it is also an intellectual event in itself, an occasion at which the awardee is invited to extend his or her ambit for our benefit in public.

Our previous Wendt Lecturers—Angus Maddison, Deepak Lal, Jeffrey G. Williamson and Ronald D. Lee—are eminent scholars and global thinkers all who need no introduction, certainly to this audience. Our present honoree, Dwight Heald Perkins, likewise hardly needs an introduction: but since we have him here, let's just see if I can't embarrass him just a little.

Although a number of distinguished experts on China and the Chinese economy grace our ranks this afternoon, I do not think that any of them will object when I suggest that Dwight Perkins is *the* leading contemporary authority on Chinese economic development.

Dwight, the reception begins at 7PM, and you have to give a lecture between then and now, so I cannot do full justice to the over four decades of accomplishments meriting this award. But I can mention a few highlights.

Dwight Perkins is author or editor of over 20 books—the most recent of them this volume on privatizing Chinese state-owned-enterprises, pub date 2006. Many are indispensable reading for the specialist; not a few are modern-day classics. In the former category fits his text *Economics of Development*, now heading into its sixth edition, and his volume on Chinese economic performance (completed during—and despite—the statistical dark days of Maoist rule in the early 1970s). In the latter category is his monograph on Chinese agricultural development from 1368 to 1968: nothing quite like that had ever been done before, or has been attempted since. Along the way, Dwight turned out a few other little things: about Chinese rural development and rural development in Korea, industrialization in Taiwan, economic restructuring in Vietnam—and about a dozen additional volumes to boot.

**I almost forgot!—he also published about a hundred or so papers and studies on economic development and challenges of economic reform in the greater East Asian expanse, from Indonesia up to Japan, writings that have helped to set a standard for discourse, and to clarify policy thinking, in a diverse variety of areas.**

**In East Asia lineages are important. Dwight Perkins' own academic lineage draws upon, and continues the tradition of, three great mentors from Harvard and Cornell: Simon Kuznets, the Nobel Laureate in Economics and path-breaking quantifier of international patterns of economic development; Abram Bergson, pioneer in both welfare economics and market-style depiction of the performance Soviet-style economies; and Knight Biggerstaff, a stellar figure in what we might call America's "greatest generation" of China scholars—the extraordinary cohort forced to exit China in 1949. Perkins' mastery of the basic details and particulars of history on the one hand and his versatility in the reaches of economic theory and technique on the other help explain the extraordinary quality of his work, and help account as well for his contributions to our understanding. One is tempted to see a Hegelian-style synthesis of the arts and sciences here.**

**As I recall, there was another 19<sup>th</sup> Century German author who insisted that the point was not merely to understand the world, but to change it. To that latter end Dwight Perkins has demonstrated a lifelong commitment—not through fomenting revolution, but instead through the painstaking and sometimes unglamorous task of intellectual gardening.**

**As a teacher, he has expanded the horizons of nearly two generations of students from around the world. (I am happy to see some of us here, in this room today.) In inducting novitiates into the mysteries of economic reasoning and economic research, Dwight was not only a generous tutor but—as at least one of us can attest—a very patient one as well.**

**Perkins' gardening project also encompassed long-term advisory relationships with a number of governments in East**

Asia—China, South Korea, Malaysia, and Vietnam among them. Perkins once cautioned that

*The brilliant scholar who gets off the plane, gives a lecture, and then leaves may stimulate debate, but no country wants its economic system redesigned by such a scholar. The ideal reform adviser has...the willingness to make a sustained commitment to working with local individuals in the new environment.<sup>i</sup>*

Dwight has remained true to this ideal—and has been personally involved in East Asia’s highly uneven but highly portentous turn toward economic liberalism over the past generation.

Dwight Perkins, finally, is an abiding nurturer of institutions. As chairman of the Harvard Department of Economics, as Director of Harvard’s Asia Center, and perhaps most memorably under his decade and a half of stewardship as Director of the Harvard Institute for International Development (HIID), Dwight demonstrated how different corners of the world might be improved, one firm and careful step at a time.

The ruin of HIID at the hands of Perkins’ successors is a painful saga, known to some of you already—one that need not be recounted today. Suffice it to say that no matter how ambitious our goals or self-aggrandizing our vision, we cannot hope to save the earth while destroying its institutions—the mundane little organizations and arrangements that in fact sustain humanity.

This afternoon’s Lecture is titled “The Challenges of Chinese Development”. No theme could be more topical at this moment—and, I believe, no presenter could be better qualified to address it.

Though he will be too modest to say so himself, Dwight Perkins has a remarkable track-record as a prognosticator on Chinese prospects. In 1970, when many in the academy were extolling the wonders of Cultural Revolution-era China, Perkins opined that

***Too much of what Mao would like to see for Chinese society would seem to be in direct conflict with the requirements of modern economic growth....to date Mao seems to be little further down the road toward his most important goals than he was fourteen years ago...In fact, he has probably lost ground.*** <sup>ii</sup>

Conversely, in 1985, when knowledgeable voices were doubting whether China could maintain the performance witnessed in the early Deng Xiaoping years, he argued that

***China in the 1980s starts from a human resource base as strong as that of the 1950s in Korea and Taiwan...There is every reason to believe that China can achieve growth rates approaching those elsewhere in East Asia....the momentum toward reform will be difficult to derail....If the political environment does remain supportive, China, there is every reason to believe that China will undergo an economic and social transformation with many features similar to those that occurred elsewhere in Asia.***<sup>iii</sup>

Two decades down the road, you have to admit this looks like a pretty prescient call!

This summer Dwight Perkins will be formally retiring from the Harvard faculty—and I understand that after this commencement he will be devoting his energies to a major inquiry: on the legal, institutional, and policy challenges facing contemporary China and other East Asian economies. Tonight's talk provides a foretaste of these studies—and provides testimony that some of Dwight's greatest work still lies ahead.

Ladies and gentlemen, please join me in welcoming to the podium Professor Dwight H. Perkins, AEI's Wendt Distinguished Lecturer for the year 2006.

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<sup>i</sup> Dwight H. Perkins, “Technical Assistance in the University Context”, in Dwight H. Perkins et al., *Assisting Development in a Changing World: The Harvard Institute for International Development, 1980-1995*, (Cambridge, MA: Harvard University Press, 1997), pp. 3-30, cite at p. 22.

<sup>ii</sup> Dwight H. Perkins, “Mao Tse-Tung’s Goals and China’s Economic Performance”, *Current Scene*,” vol. IX, no. 1, pp. 1-13; cite at 13.

<sup>iii</sup> Dwight H. Perkins, *China: Asia’s Next Economic Giant?*, (Seattle, WA: University of Washington Press, 1986), pp. 29, 85.