

## DOCUMENTS OF THE GENERAL FACULTY

**REPORT OF THE MEMORIAL RESOLUTION COMMITTEE FOR  
WALT WHITMAN ROSTOW**

The special committee of the General Faculty to prepare a memorial resolution for Walt Whitman Rostow, professor, economics and history, has filed with the secretary of the General Faculty the following report.

Sue Alexander Greninger, Secretary  
The General Faculty

**IN MEMORIAM  
WALT WHITMAN ROSTOW**

He was destined to become a great American. At least, so his ambitious parents hoped; the second son of Victor and Lillian Rostow was named Walt Whitman for a reason. Victor had come to the United States in 1904. As a democratic socialist in Russia, he was trapped between czarist oppression and ascendant Bolshevism; vociferously against both, he became a marked man for the czarist police. Lillian, the eldest daughter of Russian immigrants, was born in America. They named their three sons after great Americans, Eugene Victor (after Eugene Debs), Walt Whitman and Ralph Emerson. Walt was born October 7, 1916, in New York City, during turbulent times. The family moved to New Haven in 1926, partly because Victor and Lillian wanted to put their sons in a public high school that had a good record of placing its students at Yale. It worked. Walt completed a B.A. degree from Yale and won a Rhodes scholarship in 1936. After two years at Oxford, he returned to Yale to finish a Ph.D. in 1940.

Walt's Oxford B.Litt. thesis found its way to publication in *Economic History Review* (May, 1938) because his advisor, Humphrey Sumner, sent it there without Walt's knowledge. This publication, "Investment and the Great Depression," was to launch his academic career. (The "Great Depression" refers to the period 1873-1896 in the UK.) Walt was fortunate to have another friend, Max Millikan, who for the summer of 1937 urged him to attend a conference sponsored by the Students' International Union instead of travelling to Russia. In Paris for that meeting, he met Elspeth Davies, who became his wife ten years later.

Walt began his teaching career at Columbia University in 1940. With periodic interruptions for public service, he held the following academic positions: Harmsworth Professor of American History at Oxford, 1946-47, Pitt Professor of American History at Cambridge, 1949-1950, Professor of Economic History at Massachusetts Institute of Technology, 1951-1961. He settled down at The University of Texas at Austin in 1969 as the Rex G. Baker Professor of Political Economy and professor of history, where he remained a prolific researcher and dedicated teacher until his death on February 13, 2003.

**Rostow on History and Economic Development**

We will not try to comment on each of the thirty-four books listed in Rostow's vita. We shall limit our attention, for the most part, to four: *The Stages of Economic Growth: A Non-Communist Manifesto* (1960); *The Economics of Take-off into Sustained Growth* (edited, 1963); *The World Economy: History and Prospect* (1978); and *Theorists of Economic Growth from David Hume to the Present* (1990), with commentary drawn from *Economics in the Long View: Essays in Honor of W. W. Rostow*, a festschrift published in 1982. But one should not forget his *Essays on the British Economy in the Nineteenth Century* (1948), which gained him recognition as an economic historian of the first rank, nor his *Process of Economic Growth* (1953), which established him as an impressive scholar in economic development, nor *A Proposal: Key to an Effective Foreign Policy* (With M. F. Millikan, 1957), which made his reputation in the field of foreign policy. About fifteen of his later books dealt with foreign policy.

The *Stages of Economic Growth: A Non-Communist Manifesto* established him as one of the most controversial economists of his time. Rostow did not see the economy as leading growth theorists had modeled it. Growth theory consisted of highly abstract models focusing on a limited number of variables: output, the production

function, and technology (which was not explained). Models of the day were characterized by static equilibrium or steady growth paths, and it was presumed that the theory applied to all countries regardless of local conditions. According to *Stages*, the process of economic development passes through five uneven phases: traditional society, pre-conditions for take-off, take-off, drive to maturity, and the age of high mass consumption. To identify each stage for each country, it was necessary to delve more deeply into historical details. Rostow thought the key lay in identifying features common to each stage. He identified "leading sectors" that first benefited from technical innovation. He examined how production in these sectors as well as the associated management and work attitudes spilled over into other sectors. Investment in production processes and changed attitudes toward borrowing and lending transform the economy, causing changes in prices and the terms of trade between agriculture and industry. The various stages could be identified and even dated by close analysis of disaggregated data. Rostow's identification of and focus on the "take-off," a stage of relatively short duration in which all the necessary factors are in place for self-sustaining growth, became a lightning rod for criticism.

In 1960, shortly after the publication of *Stages*, the International Economic Association (IEA) invited eighteen distinguished economists to a conference at Konstanz to discuss Rostow's work. The IEA had never previously convened a session solely to discuss the work of one person, and we think that it has not done so since. Three years later, a book edited by Rostow, *Economics of Take-off into Sustained Growth*, was published. (At one time it was referred to simply as the "Green Book.") Henry Rosovsky, then a young economic historian, commented in *The Journal of Economic History* that the unusual was "not so strange, because Rostow is without a doubt the most famous economic historian of our age." Fame, however, does not guarantee consensus, especially in academic debate. Many of the papers were critical of Rostow's approach to development. The criticisms can be summarized briefly: Rostow's "theory" was not theory; rather it was taxonomy and, therefore, had no predictive usefulness. The stages could not be precisely identified as time intervals. Empirically, the preconditions for take-off could not be distinguished from take-off proper. Most important, sustained growth did not always follow the stage identified as "take-off" in some countries. Some of the critics seem not to have read the first page of *Stages*, where Rostow wrote: "I cannot emphasize too strongly at the outset, that the stages of growth are an arbitrary and limited way of looking at the sequence of modern history: and they are, in no absolute sense, a correct way. They are designed, in fact, to dramatize not merely the uniformities in the sequence of modernization but also--and equally--the uniqueness of each nation's experience."

One further aspect of the "Stages" literature merits mention. The book attracted widespread interest among development economists and economic historians, particularly those in the U.S., Europe, and Japan, where it spawned innumerable symposia, books, lectures, and other commentary. And, it is fair to say, no other conceptual structure emanating from economists of the developed world elicited such attention among scholars of all stripes throughout the Third World itself. Moreover, interest in both worlds jumped disciplinary boundaries; political scientists, sociologists, and anthropologists all weighed in as the conversation went forward.

Rostow's response to some of the criticisms in a second edition published in 1971 did not calm the waters swirling about his work. In 1982, a three-volume festschrift in his honor was edited by Charles P. Kindleberger and Guido Di Tella. In a review, Mancur Olson noted that many of the distinguished contributors were not students who praised and built on Rostow's work but rather critics of the idea of take-off. "There is a paradox here," Olson wrote. "How can we explain this absence of any consensus in favor of Rostow's main conclusions and formulations, and at the same time explain the extraordinary amount of attention and tribute his work has received?" Olson suggested that many economists held a latent feeling that something was wrong with the inordinate attention then still paid to static equilibrium models. By contrast, Rostow insisted that nations develop dynamically and that it is the process of change that must be studied in development theory. Further, he insisted that the process could not be explained in single-measure variables such as GDP, as emphasized by Kuznets, and certainly not as an equilibrium process, as Solow had formulated it, with technology considered as coming from the outside. Growth was uneven and needed to be analyzed with disaggregated measures if quantitative measures were to be used at all. Maybe Rostow didn't get it just exactly right. But he was on the right track. And he shook up the way that economists thought about development. Lying just beneath the criticisms were admiration and respect. Henry Rosovsky had said it well ten years before: "I invariably learn more by disagreeing with Professor Rostow than I do by agreeing with most other writers."

Walt Rostow published his *World Economy: History and Prospect* in 1978. This large book examines world economic history from 1790 to 1976 in terms of population dynamics, long term trends, and cyclical

fluctuations in production, prices, and international trade. It has a large section devoted to the dating (and updating) of the stages of growth in twenty countries. This book contains hundreds of tables and graphs (and even an index of world growth) that make it useful even to those who are no fans of Rostow.

Even some severe critics of *Stages* wrote generally favorable reviews. As a parody, the Yale economic historian William Parker wrote in *The Journal of Economic History*: "The World Economy" shows the drive to maturity realized; it is a book ripe for high mass consumption." We think that Walt must have especially appreciated the comment: "He mixes theory, history and statistics in a way that would have gladdened Schumpeter's heart." Still critical of the stages of growth and their dating, Phyllis Deane commented in *The Journal of Economic Literature* that "no student of comparative economic development can afford to ignore this book."

Twelve years after *World Economy* Rostow came out with another weighty tome, *Theorists of Economic Growth from David Hume to the Present: With a Perspective on the Next Century*. Alec Gee commented in the *Economic Journal*: "This (very large) book is more than a history of economic thought, though that is its major theme. It also embodies a great deal of economic history, it explains the intellectual and personal background behind Rostow's own views on growth and development processes, it compares and evaluates alternative growth and development models, and it advocates growth policies for the future." Robert Dorfman wrote critically that Rostow's evaluation of past theorists was tainted by his own theory of growth. Perhaps that was true. But it was in Walt's nature to marshal the evidence, massively and relentlessly, in support of the case he thought correct.

We are struck by the dedication in this book: "To the Economists of the Next Generation in the hope that, without abandoning modern tools of analysis, they may bridge the chasm of 1870 and reestablish continuity with the humane, spacious, principled tradition of classical political economy." Part I is devoted to the humane, spacious, and principled economists with whom Rostow most identified: David Hume, Adam Smith, T. R. Malthus, David Ricardo, J. S. Mill and Karl Marx (of all people!). Each of these was concerned with the "dynamics of whole societies as they moved through history. Moreover, [they] saw economic growth as a powerful agent in social, political, and cultural change" (pp. 31-32). Like Rostow, these men were *social scientists* who understood that human beings mattered. The rest of the book, starting with Alfred Marshall, going through A.C. Pigou, John Maynard Keynes, lesser luminaries, and some who participated in a "three ring circus" after 1945, deals with those economists who were insufficiently concerned with dynamics and with historical analysis and too much so with static partial and general equilibrium. Apart from Marshall and Schumpeter, Rostow had little use for the neoclassical school.

## Public Service

Rostow's early academic career was interrupted frequently by calls to duty. Indeed, distinguished though his academic career was, he became famous as an adviser to presidents and a prime mover of world affairs. Outside of the academy, Walt was best known for his service as National Security Advisor to President Johnson. No doubt, most Americans will associate his name with that high-visibility position and with his service during the hard years of the Vietnam war.

Walt began his public service in the U.S. Army, for which he volunteered in 1942. He joined a select group of young academics in the predecessor organization of the Office for Strategic Services (OSS). He spent most of his wartime in London as a member of the Enemy Objectives Unit (EOU) in the Economic Warfare Division of the U.S. Embassy. His group did essential work on targeting of German installations for U.S. and British bombers. For his wartime service, Major Rostow was awarded the Order of the British Empire and the U. S. Legion of Merit.

Upon release from the army in 1945, Rostow accepted a brief assignment in the State Department as assistant chief of the German-Austrian Economic Division. There he began to understand why good policy does not always win out. Having always planned to return to academic life, he accepted appointment as associate professor at Harvard University to become effective for the fall semester, 1946. In the interim, he drafted a plan for a unified reconstruction of Europe, but it fell on deaf ears in the State Department at that time. Harvard gave him a one-year delay so that he could take a position at Oxford as Harmsworth Professor of American History. However, public service intervened again. Impressed by his draft, Gunnar Myrdal asked him to join the Economic Commission for Europe (ECE) as his special assistant. Walt resigned from Harvard to spend two

years in Geneva. His work there on European reconstruction permitted him to travel throughout Eastern Europe, and this experience with the newly communist states helped to form views of communism that he never abandoned.

The urge to return to academics was ever present. Walt and Elspeth next spent a year teaching at Cambridge University and then both settled at MIT where they spent the next decade. However, public policy questions were never far from his thoughts.

In the 1950s, Rostow was an occasional adviser to the Eisenhower Administration; he also became increasingly influential in the circle around Senator John F. Kennedy. He had a close association with Nelson Rockefeller, then serving as a special assistant to Eisenhower, which opened a channel to the White House. Rockefeller asked Rostow to be chairman of an important meeting at Quantico in June of 1955 consisting mainly of prominent academicians outside the bureaucratic mainstream. The issue was disarmament. This group proposed what later came to be called the "Open Skies" initiative, introduced by President Eisenhower at a Big Four meeting in Geneva in July of 1955 -- over the objection of Secretary of State John Foster Dulles.

Walt's association with Kennedy was much closer. Senator Kennedy knew and admired Walt's work on foreign aid and development and asked him to join the 1960 presidential campaign. There, Walt's influence extended well beyond foreign aid. He even came up with the campaign's slogan, "Let's get this country moving again." His first assignment in the new administration was as deputy special assistant to McGeorge Bundy, Kennedy's chief advisor for National Security Affairs. The president asked him to go to South Vietnam with General Maxwell Taylor in October 1961 to assess the situation there and to make recommendations. They returned with the recommendation that the U.S. send a limited number of combat troops to Vietnam. Although the president did not accept that advice, he eventually did increase the number of military advisers. At the end of the year, Walt went to the State Department as chairman of the Policy Planning Council, where he stayed for four years.

At the State Department he worked on projects related primarily to Inter-American affairs. President Johnson gave him the duty of U.S. Member of the Inter-American Committee on the Alliance for Progress. Although important, it was not a high profile position; nevertheless LBJ frequently consulted with him on policy for South Vietnam. In March 1966, he came back to the White House as Special Advisor for National Security Affairs, back in the loop in a very high-profile position. A strong backer of bombing and of the pursuit of military victory at a time when the Vietnam war began to fall out of favor with the American public, Walt became a prime target in the anti-war protest movement of the period.

Johnson had reasons for wanting Walt by his side. In a conversation with a Kennedy intimate, Johnson gave a reason. "I'm getting Walt Rostow as my intellectual. He's not your intellectual. He's not Bundy's intellectual. He's not Galbraith's intellectual. He's not Schlesinger's intellectual. He's going to be my goddam intellectual." (David Halberstam, *The Best and the Brightest*, p. 627) This was not a high point in Washington-Cambridge relations, but cooperation was still possible when necessary. On one occasion in 1967, it became clear that the junta in Greece was close to executing Andreas Papandreou, a former economics professor and friend. Galbraith called in; Rostow took the case to the President. "What do you know about him?" Johnson asked. Walt mentioned a history of women and gambling debts, and Johnson fixed him with a stare: "That's not a reason to kill a man." Johnson called the junta leader and Papandreou's life was spared.

After Washington, after Vietnam--a lesser man might not have recovered. But this man of extreme intelligence and iron will took the criticism and went back to his academic work as if he had never left it in the first place. Walt Whitman Rostow came with Elspeth Davies Rostow to The University of Texas at Austin in 1969. He was appointed as the Rex G. Baker Professor of Economics and History. He settled down to be an incredibly productive scholar and teacher for the next thirty-four years. Also, in 1969, he was awarded the Presidential Medal of Freedom.

### **Later accomplishments**

By his seventy-fifth year, Walt Rostow had achieved dual distinctions, as a scholar of economic history and as a principal in world affairs. What heights were left for him to scale? Of course, the books were never to stop. But Walt also saw a role for himself as a practitioner of economic and human development here at home. With

Elsbeth, he launched an effort to turn the vision of a good and humane community into a reality in Austin, Texas, a city they had come to love. In 1992, The Austin Project (TAP) was founded. It brought together political, business, and religious leaders in a task force to coordinate and improve the delivery of services of some thirty agencies to needy children in East Austin. Walt stated: "The choice before Austin is to invest now in our young and their future or pay a great deal more in the future."

The idea was not just to measure benefits against costs. Wayne Holtzman, president of TAP at the time of Walt's death put it this way: "Walt Rostow had faith in humanity's desire to do what is right and good for society. He was distressed by the huge inequalities among neighborhoods in education, employment, health, income, and available resources for children. He challenges us to work together -- first, to adopt a bold vision of human development, and second, to realize a community in which all children and families may achieve their fullest potential." Walt's vision of the possible, his can-do attitude, and his conviction gave him the energy to pursue objectives both grand and small.

Along with TAP, Walt wrote two more books. *The Great Population Spike: Reflections on the 21st Century* revealed his long-standing fascination with population dynamics and his fixation on the future. Here he concerned himself with the decline in fertility rates on every continent of the world and with the implications of this decline for economic growth and welfare. Population declines, in his view, raised the question whether economic progress would continue in the long run. Were there limits to growth after all? Walt thought that growth would continue--rescued, as it were, by future industrial and technological revolutions. Progress could be impeded, however, by conflicts brought about due to population dynamics. Always looking ahead, he saw a role for the United States: to serve as a "critical margin" to avoid major conflicts among nations. This essential role, he thought, must not be undercut due to a worsening of domestic tensions fanned by racial and urban unrest. Thus, the search for economic justice and development at home merged with the pursuit of security and peace in the wider world.

### **The civil man**

A student who knew him well had much to say. This intelligent undergraduate at The University of Texas had been advised to avoid Rostow's Plan II seminar because of Johnson and Vietnam. He ignored the advice. "It turned out to be the best enrollment decision of my life," he stated in a long letter. "Imagine my surprise," he wrote, "to discover that Walt Rostow regarded the economic events that dominated my conscious memory as a mere blip on the radar screen." Everett Upshaw went on to get a Ph.D. under Rostow's supervision, to become a college teacher and then a lawyer. His memory of Walt's classes is clear:

"Whenever we spoke he listened, before taking his turn to speak. I always found that quality amazing, in a man with as much energy, and as many ideas, as he. He fairly bubbled over with ideas and reactions; and it was evident sometimes that he could hardly contain himself waiting for his turn to speak. And yet he always did wait, and he didn't tune you out while he waited for you to finish. Nor did he ever make cutting remarks about students' opinions, or anyone's opinions; he was generous with his courtesy and respect. Clearly he had strong opinions; but never was he intolerant of the opinions of others. He was an old world gentleman, and a scholar. I loved him."

Did his students see something in him that others did not? Consider this remark by David Halberstam. "In contrast to Bundy's cold, haughty style, Rostow was warm, pleasant, almost angelic, eager to share his enthusiasm, his optimism, with all around. He had time for everyone, he was polite to everyone, there was no element of put-down to him." Halberstam thought that these traits came easily to Walt because "he was a true believer, so sure of himself, so sure of the rectitude of his ideas that he could afford to be generous to his enemies."

We would say it differently. If Walt ever considered anyone to be an enemy, on a personal level, he never let on. When famous development economists with whom Walt disagreed came to campus, Peter Bauer is an example, they made a beeline to his office on the eighth floor of the LBJ library. They knew that their visits would be warmly welcomed.

In a separate piece, James Galbraith wrote:

As an academic colleague, Walt was ideal. He never failed in courtesy or duty. Send him an article--or better still the entire manuscript of a book--and focused, constructive comments would flow back in a few days. Invite a seminar speaker on a topic in his area, and he would come. Ask him a question on a historical topic--no matter how sensitive--and he would reply with utmost candor.

And still, family came first. Rostow's fifty-six year marriage to another highly independent and successful scholar was a marvel to their many friends. A frequent visitor to their home in Austin remarked, "More important perhaps than any couple of our time, the Rostows needed to be experienced as a pair. The combination of Walt's warmth and Elspeth's cool--her dry eye and sometimes acerbic, always understated insight--made private conversations at the Rostows' endlessly interesting and delightful."

### Some concluding remarks

Finally, we mention *Concept and Controversy: Sixty Years of Taking Ideas to Market*, in press at the time of Walt's death. It deals with encounters with history: World War II, the rebuilding of Europe, the Korean War, the death of Stalin, the threat of nuclear war with the Soviet Union, the Vietnam War, inflation, the gap between rich and poor countries, urban unrest, and racial tensions at home. *Concept and Controversy* is an autobiographical sketch of the roles that Walt played in each of these events and problems, an "eclectic memoir," in his own words. The book concludes with Professor Rostow's reflection on "the individual and history," on the gap between the individual and his environment (society). This gap could be overcome, Rostow decided, if Adam Smith had it right in *The Theory of Moral Sentiments*: "How selfish soever man may be supposed, there are evidently some principles in his nature, which interests him in the fortune of others, and render their happiness necessary to him, though he deserves nothing from it, except the pleasure of seeing it." That is Walt Rostow himself, to a "t."

Walt Rostow lived a full life, with concepts and controversy, optimism and humanity, an idea man to the last. *The Great Population Spike* closes with these words: "I would like to think that we will meet that challenge--that we will leave for those who come after us a world more secure both abroad and at home. The challenge is, at once, international and domestic. It is held together by the perspective in the following lines from Walt Whitman's *Leaves of Grass*, to which I have often been drawn:"

One thought ever at the fore--  
That in the Devine Ship, the World, breasting Time and Space  
All people of the globe together sail, sail the same voyage,  
Are bound to the same destination.

Walt Whitman Rostow was more than a famous economist, a tireless worker for good causes and a civil man. He was a great American who served his country with devotion in war and peace.

### Books by Walt Whitman Rostow Arranged by Date of Publication\*

*The American Diplomatic Revolution*, 1947  
*Essays on the British Economy of the Nineteenth Century*, 1948  
*The Growth and Fluctuation of the British Economy, 1790-1850*, 1953, 2d ed., 1975  
*The Process of Economic Growth*, 1953, 2d. ed., 1960 (with A. D. Gayer and A. J. Schwartz)  
*The Dynamics of Soviet Society*, 1953 (with others)  
*The Prospects of Communist China*, 1954  
*An American Policy in Asia*, 1955 (with R. W. Hatch)  
*A Proposal: Key to an Effective Foreign Policy*, 1957 (with M. F. Millikan)  
*The United States in the World Arena*, 1960  
*The Stages of Economic Growth*, 1960, 2d ed., 1971, 3d ed., 1990  
*The Economics of Take-Off into Sustained Growth*, Editor, 1963  
*A View from the Seventh Floor*, 1964  
*A Design for Asian Development*, 1965  
*East-West Relations: Is Détente Possible?*, 1969 (with William E. Griffith)

*Politics and the Stages of Growth*, 1971  
*The Diffusion of Power*, 1972  
*How It All Began*, 1975  
*The World Economy: History and Prospect*, 1978  
*Getting from Here to There*, 1978  
*Why the Poor Get Poorer and the Rich Slow Down*, 1980  
*Pre-Invasion Bombing Strategy: General Eisenhower's Decision of March 25, 1944*, 1981  
*British Trade Fluctuations, 1868-1896: A Chronicle and Commentary*, 1981  
*The Division of Europe after World War II: 1946*, 1981  
*Europe after Stalin: Eisenhower's Three Decisions of March 11, 1946*, 1982  
*Open Skies: Eisenhower's Proposal of July 21, 1955*, 1982  
*The Barbaric Counter-Revolution: Cause and Cure*, 1983  
*Eisenhower, Kennedy and Foreign Aid*, 1985  
*The United States and the Regional Organization of Asia and the Pacific: 1965-1985*, 1986  
*Rich Countries and Poor Countries*, 1987  
*Essays on a Half Century: Ideas, Policies and Action*, 1988  
*History, Policy and Economic Theory*, 1989  
*Theorists of Economic Growth from David Hume to the Present with a Perspective on the Next Century*, 1990  
*The Great Population Spike and After: Reflections on the 21st Century*, 1998  
*Concept and Controversy Sixty Years of Taking Ideas to Market*, 2003 (Posthumous)

\*Professor Rostow published many articles in professional journals and other outlets. Forty-two of these papers are reproduced in *Essays on a Half Century: Ideas, Policies and Action* and *History, Policy and Economic Theory* listed above.

This memorial resolution was prepared by a special committee consisting of Professors Douglas C. Dacy (chair), James K. Galbraith, and Bobby R. Inman.

Distributed to the dean of the College of Liberal Arts, the executive vice president and provost, and the president on June 14, 2004. Copies are available on request from the Office of the General Faculty, FAC 22, F9500. This resolution is posted under "Memorials" at: <http://www.utexas.edu/faculty/council/>.