

Memories of Jim Mirrlees

Having heard the news from Patricia last evening that Jim has died, I decided to pen a few personal recollections of Jim. These are just idiosyncratic memories that came into my head on hearing the news.

I first met Jim when I was embarking on the M.Phil in economics in 1983. But I had tried to read his papers when I studied optimal taxation as a PPE student. They were far too mathematically sophisticated for that to be realistic. But it helped me to resolve that I needed to learn at least a working knowledge of the methods used in these papers so that I could understand Jim's work better.

I recall seeing him across the quad in Nuffield and in the tea room, but I was far too intimidated by the idea of Jim to try to engage with him. However, I did get to know him gradually. And my friend Anindya Banerjee persuaded me to work with him as research assistants on a tax project for which we had to go to his house and work in his study. I recall having coffee with him and Gill in his back garden on a sunny day when we were on a break from our work. At some point, our common interest in music came up and I think that we both participated in some of the musical soirees organized at Francis Seton's house. I seem to recall that Jim played the piano on at least one occasion and I played my violin in a piano trio with two other students.

My other contact with Jim was as a lecturer on the M.Phil. He gave some of the core micro-economics lectures (most memorably on public goods). It remains a surprise to me that Jim was not a particularly gifted lecturer. I put this down to his understanding of issues was on a different level to the students. He kept trying to present arguments geometrically, but I could never get the hang of this. Like many students, I attended every lecture and paid close attention in the vain hope that some of Jim's greatness would rub off on me and I would be a better economist as a result.

My next memory of Jim is a little later when I was looking for a thesis supervisor and I went to see him in his office to describe some ideas that I had been thinking about. I am pretty sure that he could not see much potential in them but he was kind and polite. The tangible consequence of this was that I did not become one of Jim's PhD students. However, indirectly I still had contact with him as one of the papers I wrote with Anindya became part of Anindya's thesis and he was supervised by Jim. So we had joint feedback occasionally on this work. I also started to work on a short piece based on a one-page unpublished note that Jim had written called "Taxing work (properly)". I don't think that I have a copy anymore. His result seemed to contradict what was then a recently published paper of Angus Deaton's in the Review of Economic Studies. I had just met and started working with Ian Jewitt who was similarly intrigued when I showed him Jim's result. We figured out how to resolve the apparent contradiction and eventually our paper was eventually published. I suspect that this improved Jim's opinion of me. And he came to see one or two of my presentations. I was also eventually invited to his informal lunchtime workshop held in his office in Nuffield.

In the end, I decided to try the US job market while I was on a visit to Princeton (invited by Angus Deaton) and, although I was not his student, I was advised that a letter from Jim would make all the difference. He kindly agreed and it cannot have been coincidental that I got some very good job offers.

Soon after I joined the Princeton faculty, Jim and Gill came to visit for a week or so. I had just started working with Steve Coate. Jim took an interest in the work (which was on optimal income maintenance and the use of work requirements as an additional screening tool) and suggested a geometrical way of explaining the argument which we used in the published (AER) version of the

paper. It was typical of Jim's influence which I have heard about time and time again. He read a paper, immediately saw the point of it and helped the author(s) to crystallize the contribution.

I saw Jim from time to time thereafter during my time in the US. But my next distinct memory was when he won the Nobel prize just after I joined LSE. I sent him a congratulatory e-mail. His reply sticks in my head. He remarked that he generally disapproved of such prizes but could see that it made others happy which helped him to feel good about it. And he was right; many people were indeed ecstatic that Jim had won the prize!

I saw him a few times in Cambridge and I was Jim's guest in Trinity when I gave a seminar. Perhaps my proudest moment was when Jim had a 70th birthday celebration and I was invited to be one of a small number of "younger" people giving papers. The audience which included many of the giants of Jim's generation (including future and past Nobel laureates) created a wonderful (if somewhat intimidating) atmosphere in which to give a paper. Jim questioned all of the speakers vigorously with that typical quizzical look on his face that we all remember so well. And it was the last time when I distinctly remember that warm feeling I got when Jim referred to one of my papers as "a nice application". I had long since learned that this was high praise.

More recently, I had the opportunity to interact with Jim on the Mirrlees review organized by the IFS where we both serve as commissioners. This remains a landmark project and Jim's insights were powerful in shaping the report. The real privilege was that I got to spend time in Jim's company on a regular basis and to talk to him about a range of things often of a practical kind. One thing that stuck in my mind was Jim's habit of enjoying a glass of wine (only one!) with lunch. It has made me feel comfortable doing the same from time to time knowing that the "great man" did it.

The last time I saw Jim was in 2017 at a dinner in the warden's lodgings of All Souls hosted by John Vickers. I sat next to him during dinner and we chatted about a wide range of things. Although advancing in years, the glint in his eye and the signature flick of the head when something intrigued or amused was still there. I would never have guessed that this was the last time I would see him.

There are many other economists who were closer to Jim than I am. But there can be few whose intellectual journey has been so decisively influenced by his ideas. I envisaged my career would be working out the optimal government paradigm that Jim did so much to frame (following the example of James Meade). The political economy twist which I have taken might look like a departure. But it was principally to see how it could be that we could create governments that would indeed follow optimal policies. A huge amount of my work is therefore shaped by the optimal policy model which Jim did so much to create. Sometimes I reflect that my intellectual life has been devoted to trying to reconcile two apparently contradictory perspectives on policy-making by two Nobel laureates called Jim: Jim Mirrlees and Jim Buchanan. (I barely knew Jim Buchanan although I did participate in his 93rd birthday conference. But I still think that his work is under-appreciated by the mainstream and is grounded in an important normative policy perspective.)

But as I reflect today on losing Jim, it also makes me realise how much he has left for us. The frameworks he developed are a fundamental part of economics. They allow economists to shape interventions that can make a positive difference to people's lives. They have genuinely changed how we, as economists, approach a class of problems. So even though Jim was modest beyond compare, I feel that now is the time to be immodest on his behalf and rightly proclaim him as one of the greatest economists of his time. My personal debt to him is huge and my admiration unbounded.

Tim Besley, August 30th 2018