

# **Monsieur Tiers Monde: Ignacy Sachs and the internationalization of Polish development economics, 1955-1958**

**Malgorzata Mazurek**

Associate Professor of Polish Studies, Harriman Institute, Columbia University

Ignacy Sachs' personal trajectory had famously spanned continents and multiple cities. He escaped with his family from Warsaw to Rio de Janeiro in 1939, after the outbreak of World War Two. There, he spent his youth immersing himself in the experiences of the southern hemisphere. In Brazil, he met Juliusz Katz-Suchy, the former Polish ambassador to the United Nations (1947–51). Eventually, he returned to Warsaw in 1954, where he became his assistant at the Polish Institute of International Affairs. Sachs was vaguely familiar with the economic policies of Brazil and other Latin American countries. Although not an expert, however, he was soon assigned to cover Asia and Africa as well and became the key Polish expert on the post-colonial world. Ignacy Sachs acquired exceptional access to knowledge about decolonization. His first assignment for Katz-Suchy was a translation of the Indian constitution into Polish. He also prepared the Polish edition of the 1955 Bandung Conference proceedings. The document stuck with him because in *La Decouverte du Tiers Monde*, his major book published in 1971 in a series overseen by Fernand Braudel, Sachs would argue that Bandung was the most critical milestone for political cooperation in modern world history.

In the 1950s and 1960s, Sachs saw decolonization as integral to a modern progressive sensibility and a process requiring its own type of economics, which relied on developmental thinking. He believed in and supported the end of Eurocentrism, which the Shoah had already precipitated. This paper discusses Ignacy Sachs's coming of age as a social scientist in the broader context of the global Cold War, as he moved from Brazil to Poland and from Poland to India, and then back to Poland. Within this rich circuit of knowledge, we'll focus on India, the central site of development politics in an age of decolonization. There, he significantly shaped and enriched this discipline, following his mission to enlarge the scope of modern social science beyond Europe.

In the mid-fifties, Poland was opening to the broader world beyond the confines of the Soviet Bloc and divided Europe. By that time, the Soviet Union firmly abandoned the Stalinist vision of the world as rigidly divided into antagonistic camps, hoping to advance a socialist agenda on a global scale. The Soviets developed the concept of "peaceful coexistence" that denoted the Eastern Bloc's (essentially) nonviolent yet competitive strategy for adapting to decolonization and the rise of the non-alignment movement. The strategy forged new ties between Poland and India. Between the mid-1950s and mid-to-late 1960s, economic expertise—next to engineering, urban planning, and architecture—became Poland's key export product and diplomatic currency in the Third World. Polish stars of economics –Michał Kalecki and Oskar Lange—had multiple

connections with Western academia, particularly with Oxford and Cambridge (Kalecki) and with the top US universities (Lange). The same applied to Indian scholars, who were the key voices of the so-called Third World in economics. Both the Polish and Indian experts shared the Anglo-American connection and interest in theorizing development of poor, agrarian areas. There were no genuine personal, intellectual, and political barriers between the Polish experts and their Indian hosts and other, primarily Western, scholars working in India.

After Poland departed from Stalinist economic orthodoxy, Polish experts and diplomats went to India to help develop India's economic planning. The first Polish economist to visit Nehru's India was Oskar Lange. Between December 1954 and April 1956, Lange spent altogether half a year in India and played a double role in this international arrangement. As an economic expert, he drafted papers and memoranda concerning India's Second Five-Year Plan. His articles appeared in prestigious national journals such as *Economic and Political Weekly* and *Sankhya* that were read by the Indian progressive intelligentsia and in economic departments' curricula. As a skillful diplomat, Lange also enormously helped forging Poland's ties with the Third World. When Nehru made a diplomatic visit to Poland, he supposedly told the Polish chief of government, Józef Cyrankiewicz: "Thank you, Mr. Prime Minister, for the best gift from Poland—Professor Lange." Once Poland underwent the most radical de-Stalinization in the Eastern Bloc, this personal connection became crucial in bringing Polish experts to South Asia and beyond. The second Polish intellectual celebrity was Michał Kalecki, who came to India during Sachs's tenure at the Polish embassy in Delhi. His stay in India in 1959–60, which Sachs co-organized and managed, helped crystallize the importance of smallholder peasantry in Polish development economics and developmental thought in general. Ignacy Sachs's arrival in Delhi coincided with and shaped the golden age of Polish intellectual engagement in Third World politics.

Decolonization and the easing of the global Cold War also opened a new horizon for social sciences in India. The British had long discouraged the development of social science in their colonies because they feared that promoting social scientific knowledge in dependent territories could subvert the dominance of the metropole and, therefore, become inconvenient for colonial authorities. In contrast to the British politics of neglect, the Indian elites wanted first-class expertise as they shook off the shackles of colonial dependence. They were fascinated by post-Stalinist Poland's bid for national and economic sovereignty that renegotiated its satellite status. Poland was perhaps the only East European country in the Khrushchev era that, to some extent, worked toward weakening the divide between socialist and capitalist "camps" without leaving the Soviet bloc (as opposed to Yugoslavia, China, and Albania). Nehru's India greeted the "Polish road to socialism," as Gomulka's slogan put it, with sympathy. In 1957, Nehru and his economic strategist, Mahalanobis, were particularly intrigued by a new, market-oriented planning mechanism being prepared for the Polish government by Lange, Kalecki, and their team. The so-called "indicative planning" departed from the Soviet centralized management style. In November 1957, one key Indian official admitted that the Polish model corresponded with India's mixed economy rather than bureaucratized central planning. As Ignacy Sachs admitted during an interview in 2012, India was particularly

convinced by Poland's rejection of collective farming in 1956. This political decision made Poland suddenly become a champion of individual peasant farming and market-oriented planning.

In the late 1950s, Poland officially declared India its most important "non-socialist" partner. The Polish Embassy in Delhi needed experienced diplomats, most of whom had been purged during Stalinism. Its new ambassador Juliusz Katz-Suchy was praised for his wit, eloquence, and ability to "hold a conversation instead of preaching," qualities that aimed to create a less dogmatic—meaning non-Stalinist and more liberal—diplomatic style for Poland. His tenure as a new ambassador to India (1957–62) marked a new chapter in Polish-Indian relations. Katz-Suchy believed that intellectual and journalistic contacts were Poland's greatest asset in foreign relations with India and other Third World countries. As Soviet and Polish interests in India grew, the Polish Embassy in Delhi became a place where intellectual exchange on world affairs attracted both the local intelligentsia and international residents. In the aftermath of de-Stalinization, many Indian politicians and foreign visitors to Delhi sought Katz-Suchy's informal opinion on eastern European and global issues. Katz-Suchy argued that Poland could offer incomparably more in planning expertise than other eastern bloc countries. It was clear to him, however, that Poland was significantly less powerful than India, which established its position through global Cold War rivalry and maintained profound relations with both the west and the Soviet bloc. Therefore, Poland should be "more proactive" regarding India, because "we care more about having a strong position in India, than India cares about us."

Young and eloquent Ignacy Sachs, relocated with Katz-Suchy from Warsaw to Delhi in 1957, and worked for him as a Polish embassy secretary. He was the ambassador's eyes and ears in intellectual Indian circles. His main task was to facilitate scholarly exchanges between scholarly-minded Polish diplomats, Indian economists, and Nehru's Western Marxist guests. Ignacy Sachs brought knowledge about Polish post-Stalinist planning while working in the embassy. At the same time, however, he also believed he could profit from the Indian intellectuals. Between 1957 and 1960, he pursued graduate studies at the Delhi School of Economics. He and his wife Viola, a specialist in North American literature, were arguably the first Europeans to obtain PhDs from an Indian university. The political circumstances of Sachs's stay in Delhi can be partly deciphered from Polish diplomatic documents. Sachs regularly conversed about India with leading Indian economists, sociologists, and journalists. In addition to politics, the talks tackled socioeconomic issues: preparations for the Third Five-Year Plan, foreign investments, land reform, and international trade. Sachs also interviewed Indian experts in rural studies on ethnic and religious tensions, the caste system, and even Indian philosophy. In return, Sachs briefed Indian social scientists on economic reforms and the Lange/Kalecki planning innovations that could assist India's Third Five-Year Plan. During his stay, he gained privileged access to knowledge about Cold War rivalries that shaped development policy in India and other South Asian countries.

Sachs keenly observed development politics and relationships between India, Western donors, and the Soviet bloc. He regularly conducted individual interviews with national

press editors, MPs, and governmental officials. Polish foreign ministry archives confirm Ignacy Sachs's many meetings with Indian intelligentsia: "Ambassador Katz-Suchy practically every afternoon invited one or two prominent figures for a tea. [...] I participated in these conversations and then made notes [for the Polish Ministry of Foreign Affairs -M.M.]. As Sachs's recollections and the archives mentioned, through these conversations he hoped to understand circumstances and factors behind India's famous third way. He aimed to grasp the nature and the details of development politics that transcended both state socialism and capitalism. Ignacy Sachs' notes, held in the archives of the Polish Ministry of Foreign Affairs, are a valuable source of information about the Cold War dynamics of foreign aid in South Asia.

The intellectual affinity between Polish and Indian scholars that Sachs facilitated rested on a mutual understanding of what makes progressive nation-building "modern": the key was economics, a language common to both countries' left-wing elites. Amir Badhuri, a Bengali intellectual and proponent of Michał Kalecki, recalled that in the 1950s and 60s, "studying economics was intellectually 'fashionable' and I also felt that it would give me a better grasp of political issues." Lange, Kalecki, and their Indian peers knew British Keynesian macroeconomics and had studied or worked at Oxford and Cambridge. Both groups believed that Keynesian general theory did not quite apply outside the West and that the economics' subdiscipline of development economics was needed to capture the specific circumstances of so-called "underdeveloped" countries. Both Polish and Indian economists rejected one-size-fits-all western theories of growth, yet, at the same time, were enchanted with model-building, economic theory, and advanced mathematical statistics. Amartya Sen, a star of the Delhi School of Economics (and, later, a guest in Warsaw), believed that "neoclassical economics was deeply defective, but it enabled Indian economists to argue with it or run alongside."

Above all, however, the political-economic foundation of this scholarship was Marxism. "In the D. School, anyone who did not subscribe to Marxism and leftist politics was suspect," wrote the school's leading agrarian sociologist. As Sachs recalled of his three years in India: "To somebody coming with a Latin-American background, a reasonable knowledge of Marxian economics, and the East European experience, the confrontation was very enriching indeed." Sachs emphasized that the D. School a unique mix of advanced economic thinking, "had more to offer than any Western-based academic institution." Through contact with Indian socialist scientists, Sachs, and later on other young Polish economists developed a more empirical and context-sensitive approach to Third World development policies. They also expanded their role in the transcontinental Marxist conversation about rural underdevelopment that spread from Delhi via Cairo and Accra to Paris and London in decolonization's formative years.

One result of the transcontinental scholarly dialogue mediated by the Polish embassy was Ignacy Sachs's PhD thesis in development economics, *Patterns of Public Sector in Underdeveloped Economies*. Full of details of backstage debates on the execution of India's Second Five-Year Plan, the dissertation reflected the complexities and day-to-day problems of Indian planning. Sachs intended it as "a comparative study of state interventionism," specifically of Brazilian, Indian, Japanese, and Mexican experiences of

industrialization. But the value of the South-South comparison lay in the stress Sachs placed on the difficulties of economic growth politics in India and other parts of the decolonizing world, including the persistent problems of undercapitalization and, most of all, the continuing failures of land reforms. Sachs distanced himself from dogmatic Marxist developmental economics, a position still uncommon in the late 1950s. One of the reviewers, the only tenured Marxist economist in the United States, Paul A. Baran, even rejected the thesis, calling it “bashful Marxism.”

Apart from Indian scholars, Sachs’s key intellectual contact was American social scientist Daniel Thorner (1915-1974). Thorner was a resident foreign expert in Delhi and Calcutta and an economic historian of the Indian countryside. “Thorner was yet another left-wing Marxist scholar in India who flouted Cold War divisions. He grew up in the United States, but after losing his job in the South Asian Studies Program at the University of Pennsylvania during the McCarthy era, he and his wife Alicia moved to India, where they worked from 1952 until 1960. Over time, Thorner and his wife became responsible for the Indian Statistical Institute’s census research project, a sign of great respect from Indian officials, who affectionately referred to Thorner as “an Indian economist.” In 1960, Daniel Thorner and his wife were invited by Fernand Braudel to create a new program of Indian studies in the Sixième Section de l’École Pratique des Hautes Études in Paris.

From Thorner, Sachs learned how to combine economics with empirical and historical perspectives to critically engage with Eurocentrism of developmental thinking. This helped Sachs and other Warsaw scholars to focus on the predicament of smallholder farmers in India, where at the time of independence, nearly eighty percent of the population lived on land or depended on agriculture. Thorner liked to rely on two historical traditions he thought were key to understanding the development problems in Nehru’s India. The first involved studies by the British colonial agronomist Harold Mann on the “Indian village” (1917–21). The other involved Russian *zemstvo* statistics and Aleksandr V. Chaianov’s works on the peasant economy, which had circulated in India in German translations since the 1920s. This body of knowledge about village betterment made plain that the peasantry’s standard of living, employment, and ways of cultivating land were central to understanding India’s economy and chances for economic growth. Thorner referred to the historical science of “land and labor” present in early twentieth-century Europe, Asia, and Africa, and argued that modernization plans required a *longue durée* approach.

Sachs built on Thorner’s thoughts to recommend analyzing the Indian economy in light of historical land property regimes that, he argued, had hindered post-colonial land reform and contributed to recurring famines. Thorner indicted the superficiality of international development economics and its inability to study local data with historical awareness. Thorner himself visited nearly a hundred villages, always arriving on foot so that villagers would not identify him as a state official or foreign aid worker. Sachs disseminated Thorner’s historically-minded agrarian studies further to prominent scholars like Polish historian Witold Kula. His studies sought to explain why, despite multiple plans and reforms, India had changed so little.

Yet the most impactful figure during Ignacy Sachs's stay in India was Michał Kalecki, who visited India for three months in late 1959. As a development economist, Kalecki supported the retreat from the collectivization of agriculture and lectured on the importance of living standards in growth politics. These developments were on his mind when he insisted—though without success—that the Indian government should base its economic policy on improving the lives of the rural poor. Despite Kalecki's cool relationship with Nehru, India became one of the models for Kaleckian development economics. The concept of the “intermediate regime,” a model of the postcolonial state-capitalist economy that Kalecki based partly on experiences in Nehru's India. Kalecki reinforced an empirical and peasantry-centered approach to the politics of growth that influenced how Poles delivered development economics to the Third World in the 1960s. According to Sachs, who assisted Kalecki during his visit to India, Nehru received the Polish economist but did not discuss his memoranda, “probably to avoid an unpleasant exchange on land reforms.” Kalecki was inconveniently frank, which induced anxiety among diplomats and politicians. In the late 1950s, the boldness of the Chinese Great Leap Forward tantalized Nehru, and Kalecki evidently wanted to curb Nehru's enthusiasm. Unfortunately, Kalecki returned to Poland politically defeated. “Kalecki was one of the greatest economists of the 20th century,” one Indian historian averred, “but it does not seem that his visit was particularly fruitful for either the [Indian Statistical] Institute or the country.”.

Indian debates traveled back to Europe to foster a new, more global understanding of social science. Scholars also forged new intellectual connections that cut across the politics of superpowers. India thus became a geopolitical gateway for both the global Cold War and a multilateralism that expanded existing international networks and created new intellectual affinities between experts. Regarding official politics, the “Indian experience” contributed significantly to institutionalizing developmental thought in communist Poland. While in Delhi, Kalecki came up with the idea of creating the Warsaw Center of Research on Underdeveloped Economies. Unsurprisingly, Kalecki ensured that Ignacy Sachs was appointed as director. Kalecki also created the Advanced Course in Planning for Economists from Developing Countries.

From 1962 until 1968, Warsaw trained nearly two hundred experts from Asia, Africa, and Latin America, while raising concerns among the Americans (for, arguably, its “lack of dogmatism”) and causing pangs of jealousy among the Soviets. In the 1960s, both institutions hosted several top Indian economists—Amartya Sen, K.N. Raj, and K. Naqvi. The institutions also trained many rank-and-file functionaries, academics, and professionals who would later serve as resident technical advisers or employees in the Middle East, Africa, and Asia. The roster of guests included a US developmental technocrat, Walter Rostow; Keynesian friends from Great Britain, like Joan Robinson or Nicolas Kaldor; and economists from the global South (H. Flores de la Peña, H.M. Onitri) with a powerful representation by Indian economists. Polish development economics had thus a rich set of personal networks upon which to draw. Warsaw also maintained friendly academic contacts with Western Europe and the United States (Americans actively supported Polish academia through Ford and Fulbright fellowships). “We visited the West and hosted Western visitors. We read Western literature, a fair

amount of which was translated into Polish,” one of Ignacy Sachs’ students, Marcin Kula, testified of the connections. The Poles studied and theorized not just about capitalism but also about state socialism and the mixed economies of the so-called developing countries.

All in all, Warsaw became a magnet for international and development economists, known as the “Polish Cambridge upon the Vistula.” This reference to Keynes’ intellectual home reflected the Poles’ conceptual proximity to Keynesian economists.

Ignacy Sachs, who belonged to a devoted group of Kalecki’s collaborators, intensely contributed to the internationalization of Warsaw-based development economics. He did so as a member of a wider Polish network. At UNESCO, for instance, he helped maintain the so-called “East-West dialogue,” a new internationalist rhetoric that softened the language of Western cultural dominance in an era of decolonization. Americans, who controlled the organization from the backseat, appreciated the Poles’ close ties to French and Anglo-American academia. They solicited Julian Hochfeld, a proponent of open Marxism after the Thaw, to head the *Survey on Main Trends in Social and Human Sciences*, UNESCO’s mammoth interdisciplinary project featuring Jean Piaget and Claude Levi-Strauss. Ignacy Sachs co-wrote the economics chapter with Włodzimierz Brus and Tadeusz Kowalik.

The political status of Ignacy Sachs and other Kalecki’s students was shaky, however, because of the worsening political climate in Poland. Since the mid-1960s, the communist regime consolidated its power and control over social sciences by censoring liberal intellectuals, people with exponential ties to the West, and non-conformist Marxists. After de-Stalinization, the Polish academic milieu gained intellectual pluralism that had not existed elsewhere in the Soviet Bloc. At the same time, the communist regime used Marxism as a “state ideology” to stifle Polish sociology, philosophy, and economics by accusing them of not being enough “Marxist.” Sachs, who hoped to connect the internationalization of Polish social science with open Marxism, found himself caught in Poland’s intellectual and political wars. In 1965, Oskar Lange wrote to his younger proteges from a hospital bed to his younger colleagues, “I would stay in western Europe, ideally in United Kingdom, as long as possible. Poland is a total province; it will become Portugal of the Soviet bloc. Sociological conditions generate a long-term stagnation, and I don’t see a chance of any “explosive” solution.” One year after Lange’s death, in 1966, Hochfeld also died, leaving Sachs’ work for UNESCO without political backing.

In the mid-1960s, Gomułka hardened his autocratic style, alienating the best and the brightest. The intelligentsia’s battle against state censorship soon escalated, changing the political climate in Kalecki’s circle. In the spring of 1964, thirty-four of the most prominent literati sent an appeal, the so-called Letter of 34, demanding the party-state respect “the right to critique and free discussion.” Kalecki’s students found themselves under surveillance by the secret police. Even the relatively accommodating Ignacy Sachs had his landline tapped and phone conversations transcribed. Władysław Gomułka, the

first party secretary, resented academics and what he saw as their easy lives. Raised in a working-class family, he had interrupted his education at twelve and became a locksmith. In interwar Poland, his communist activism combined with his vulnerable social status had made him an easy target for the *Sanacja* political police. Gomułka once told Oskar Lange, a former Rockefeller fellow in the USA, that when Lange was “traveling around Western universities, I was sitting in prison.” In the second half of the 1960s, the tables turned.

Polish economists called Gomułka’s rule a “dictatorship of fools.” First, Kalecki’s circle lost influence on political decision-making and entirely moved to academia. Then, they retreated to sarcasm, irony, or playful abstraction. In the mid-1960s, Kalecki invented planning games that tested scenarios of national development for fictitious post-colonial economies. The games’ physical manifestations were data sheets that people discussed over a table. Ignacy Sachs and his collaborators from the Warsaw Centre of Research on Underdeveloped Economies were in charge of data collection. They relied on statistics from “really existing” developing states. Yet the task of the planning games was to multiply real numbers by “x” to create a new, abstract nation-state (and thereby avoid any suspicion or accusation of political interference). The most popular game was Cocoaland, based on the statistics from Ghana, a cocoa country. The data came from Kalecki’s colleagues at the University of Ghana’s Department of Economics. As Ignacy Sachs recalled, the Cocoaland game explored multiple development scenarios: with and without foreign aid, good and bad trade terms, etc. Another game was Boxiland, which emulated the economic conditions of Mongolia. Because the country had high transportation costs, Kalecki thought its development strategy should rely on exporting pharmaceuticals, which do not weigh a lot. Boxiland was thus a country of light boxes. In 1967, the UN African Institute of Economic Development and Planning in Dakar wanted to publish Kalecki’s planning games as a manual for Third World economists. The publication prepared by Sachs, however, never came to pass.

What happened next was a blur of shattering political events. The crisis started in June 1967 because of the Arab-Israeli “Six-Day War,” in which Moscow sided with the Arab countries over its erstwhile ally, Israel. In Poland, where anti-Soviet attitudes were commonplace, people cheered the victory of “our Jews against their Arabs.” Gomułka, who was already facing the intelligentsia’s discontent and a stagnating economy, feared anti-Soviet sentiments more than anti-Semitism. In June 1967, in a speech at the Trade Union convention, he mentioned “the Zionist fifth column.” He meant Poles of Jewish background, whose alleged growing impact and assumed support for Israel undermined Poland’s national security. This phrase was commonly understood as a call for an anti-Semitic purge. Local apparatchiks immediately reduced the autonomy of the Centre of Research on Underdeveloped Economics, Kalecki’s workplace. The situation escalated further in March 1968 with student protests that ended in beatings, arrests, and prison sentences for student leaders. The Gomułka regime then let party-conforming institutions and mass media run an anti-Semitic, anti-intelligentsia campaign. In this moment, in which anti-Semitism was normalized and weaponized by the Party, “Kalecki’s cult” became a target. At the High School of Economics and Planning, the party committee accused Ignacy Sachs of creating “an enclave removed from the party.” Other



collaborators of Kalecki's were fired, mostly on non-professional grounds of "revisionism," "formalism," or its reverse, "ideologism," and accused of "building bridges between the East and the West."

It is sadly a well-known story that in 1968, Ignacy Sachs and his family was forced out of the country, stripped of Polish citizenship, and given a "travel document" that only worked in one direction. His flagship institutional projects—the graduate school and Sach's research center on developing economies—were destroyed. For years, his students and collaborators, offered various corrections and extensions. For instance, Ignacy Sachs, who moved to the École des Hautes Études en Sciences Sociales in Paris, added to Kaleckian economics problems of ecology and environmental protection; Włodzimierz Brus (at Oxford) and Kazimierz Łaski (at Linz University) worked on a system of pragmatic socialist management that avoided the worst excesses of both market capitalism and central planning. However, some of Sachs' significant contributions fell victim to the anti-Semitic purges. In 1968, to avoid diplomatic scandal, UNESCO removed Polish authors' names from the book. The organization did not mention that the authors of the economic part of the survey were politically repressed or forced to leave Poland. As a result, the chapter was published unsigned so that Ignacy Sachs' contribution to *Main Trends* was not even marked as such. The Indian network, however, became vital in the years of political unrest of the late 1960s. The Thorners' Paris apartment, which connected the Indian experience with Europe, became a refuge for Ignacy Sachs and the first station in his post-1968 career in the West./.