

## REMARKS ABOUT RICHARD BIRD ON THE OCCASION OF HIS RECEIVING THE DANIEL M. HOLLAND AWARD

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**C**ONGRATULATIONS TO RICHARD BIRD ON receiving the Daniel M. Holland Medal, and to the National Tax Association for making this most appropriate choice. Richard Bird is a remarkable man. If I were forced to give a one-liner to describe his place in public finance, I would say that he knows more and has taught us more about comparative public finance than anyone ever has.

It is a special pleasure to be here to honor a good friend, who I have known for more years than either of us should want to remember.

My assignment today is to reflect on his life's work, with specific reference to his studies and technical assistance in the areas of fiscal decentralization and intergovernmental fiscal relations. I will talk about this subject, and more generally about four aspects of his work:

1. His influence on the field of public finance,
2. The range of his work,
3. How he does things, which is really what makes Richard Bird unique, and
4. Some reflections on working with Richard.

### RICHARD BIRD'S INFLUENCE

Richard has influenced thinking in the profession, the direction of research, and the practice around the world. Very few can offer that brag. There are many areas of public finance where you begin your work with the writings of Richard Bird. Certainly this is true of Canadian public finance, which is another speaker's topic today. It is very true of fiscal federalism in developing and transition countries, where his work has led thinking for decades. He has been a pioneer in forcing us all to think about the nexus between tax policy and tax administration, and his work on the VAT is a natural starting point for anyone who works in this area.

He has had a strong influence on the practice around the world. He never invented something like the VAT, and nothing is named for him like the Hall-Rabushka flat tax. His contributions to

the practice are more in the vein of "how to get it right." It would take days to point out all of his contributions. But, his footprints are all over the world. As Johnny Cash would sing it, "He's been everywhere man."<sup>1</sup> It is absolutely amazing how well-known he is. Some examples of the Richard Bird footprints are the Columbian intergovernmental fiscal system, and the Jamaican VAT.

Everybody wants his stamp, in several ways. A Bird paper makes a book complete. His CV includes 120 book chapters. A Bird coauthorship adds value and depth to your own research (or maybe you can be a free rider). I counted 100 coauthors before I stopped.

He has influenced thinking on his subjects at the international agencies. For the World Bank, his new books (with Bob Ebel) on "Asymmetry" and with François Vaillancourt on "Perspectives" are important thought pieces on fiscal decentralization.<sup>2</sup> You might say that he has become a "thought leader" for the "thought leaders" at international agencies.

Mostly, his influence has come through his writings. His papers now span five decades, and what a volume of it there is:

- 45 books and monographs
- 120 book chapters
- 127 journal articles
- 75 popular articles and book reviews
- 69 reports
- 436 entries on his CV.

He is on reading lists and book shelves everywhere. I would mention two other things that are noteworthy. First, though he has more than one hundred journal articles, he does not write only in 25-page bites for journals. He has had bigger ideas to develop and has done this. Second, he writes to the practice as well as to academics. I imagine that he first decides what he wants to say and then decides where that audience is.

### THE RICHARD BIRD WAY OF DOING THINGS

There are lessons for all of us in reflecting on “The Richard Bird Way of Doing Things.” Really, it is how he approaches his part of public finance that has brought him to this great career and to this great honor.

First, he is a very good economist. Unless he is boring in on an administrative issue, the economics of a problem is almost always a centerpiece of what he does. In the fiscal decentralization work, for example, he keeps coming back to the fiscal decentralization theorem, and usually with a new wrinkle about how we need to interpret this. As we all know, it takes a very good economist to explain theory to the practitioners, who are often our clients for reform.

Second, he is without peer in the study of fiscal institutions. Milka Casanegra gave us the great phrase “tax administration IS tax policy,”<sup>3</sup> but Richard has carried it to new levels. Throughout his work, the same theme continues: you cannot do the good analytic and prescriptive work if you do not understand the underlying institutions. His work on the property tax keeps coming back to the valuation and collection approach really defining the economic impacts of the tax, and his work on intergovernmental transfers in many countries is really about the detail of the formulae that drive the equalization or revenue mobilization results.

Step three in “The Richard Bird Way of Doing Things” is the literature review, and in many of his papers, it is amazingly detailed and far reaching. He must have an extraordinary memory. A Richard Bird literature review is always multidisciplinary and always exhaustive.

Fourth comes the history part of the context – for example, I particularly like the way he places the Colombia intergovernmental reforms in a context of the many predecessor reform efforts. Finally, he brings in the international comparative context. All of this before he gets started on the analytic work!

Richard is a master of insights. After reading many of his papers, you find your self saying things like “I never thought of it that way.” This ability to dissect effectively has made him a great “critic” of some work in public finance. I think particularly of his retake on the Peacock-Wiseman displacement hypothesis, or his general critique of empirical tax effort studies in developing countries, or his think-

ing about property tax incidence in his “new wine in old bottles” paper.

Finally, he can address different audiences with his research and he does so regularly. His papers always feel, to me, tailored very well to the particular audience, whether it is economists, ministers, World Bank officers, or a tax reform committee.

### WORKING WITH RICHARD BIRD

Richard and I have worked together for many years, including a good deal of work on the road. Watching him work is to understand how he has managed to build his expertise and influence policy around the world. I would like to note a few things in particular. First, working with Richard is like having a library with you. When we have studied fiscal decentralization policy in a country, it has always been amazing (to me) to discover that he has worked on every piece of the problem somewhere – expenditure assignment, local taxation, intergovernmental transfers, local government, user charges, etc.

Second to arrive in a country with Richard Bird is to gain immediate credibility. He is so widely respected and listened to, that a government immediately has confidence that the entire mission can feed off. Third, though he has mellowed, he still takes no prisoners in a debate over the subject (even if a Minister of Finance is on the receiving end of a volley)! Richard Bird has always called it the way he sees it, no matter what.

Finally, he is a ferociously hard worker. On the road, there is a time to play and a time to work; but for Richard, it is mostly the latter.

### CONGRATULATIONS

So, congratulations to you, Richard Bird. You have taught us much, and we know there is more to come. All of your fans are pleased to see you win this award. If our old friend Dan Holland were with us today, I know he would be very, very pleased.

### Notes

<sup>1</sup> Cash (1996).

<sup>2</sup> Ebel and Bird (2006); Bird and Vaillancourt (2006).

<sup>3</sup> Cassanegra (1990).

**References**

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